

1                   IN THE UNITED STATES DISTRICT COURT  
2                   FOR THE NORTHERN DISTRICT OF ALABAMA  
3                   NORTHEASTERN DIVISION  
4                   CASE NO. 5:18-CV-01983-LCB

5                   NUCLEAR DEVELOPMENT, LLC,

6                   Plaintiff,

7                   vs.

8                   TENNESSEE VALLEY AUTHORITY,

9                   Defendant.

10                   \_\_\_\_\_ /

11                   1100 South Ocean Blvd.  
12                   Manalapan, Florida  
13                   January 24, 2020  
14                   9 a.m. - 12:25 p.m.

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18                   VIDEOTAPED DEPOSITION OF FRANKLIN HANEY, SR.

19  
20                   Taken on behalf of the Defendant before  
21                   Alice J. Teslicko, RMR, Notary Public in and for the  
22                   State of Florida at Large, pursuant to a Notice of  
23                   Taking Deposition in the above cause.  
24  
25

<p>1 APPEARANCES:</p> <p>2</p> <p>3 HAND, ARENDALL, HARRISON, SALE, LLC</p> <p>4 BY: CAINE O'REAR, III, ESQ.</p> <p>5 104 Saint Francis Street, Suite 300</p> <p>6 Mobile, AL 36602</p> <p>7 (251) 432-5511</p> <p>8 corear@handarendall.com</p> <p>9 and</p> <p>10 HUGHES, SOCOL, PIERS, RESNICK, DYM, LTD.</p> <p>11 BY: LARRY DAVID BLUST, ESQ.</p> <p>12 70 West Madison Street, Suite 4000</p> <p>13 Chicago, IL 60602</p> <p>14 (312) 580-0100</p> <p>15 lblust@hsplegal.com</p> <p>16 Attorneys for the Plaintiff and Attorneys for the</p> <p>17 witness, Franklin L. Haney, Sr.</p> <p>18</p> <p>19 BRADLEY, ARANT, BOULT, CUMMINGS, LLP</p> <p>20 BY: MATTHEW H. LEMBKE, ESQ.</p> <p>21 1819 Fifth Avenue North</p> <p>22 Birmingham, AL 35203</p> <p>23 (205) 521-8000</p> <p>24 mlembke@bradley.com</p> <p>25 and</p> <p>OFFICE OF THE GENERAL COUNSEL - TENNESSEE VALLEY</p> <p>AUTHORITY</p> <p>BY: DAVID D. AYLIFFE, ESQ.</p> <p>STEVEN C. CHIN, ESQ.</p> <p>400 West Summit Hill Drive, WT6</p> <p>Knoxville, TN 37902</p> <p>(865) 632-3052</p> <p>Attorneys for the Defendant</p> <p>Also Present: Pedro Martinez - Videographer</p> <p>---</p>	<p>Page 2</p> <p>1 DEFENDANT'S EXHIBITS</p> <p>2 EXHIBIT DESCRIPTION PAGE</p> <p>3</p> <p>4 Exhibit 119 Email from Larry Blust 64</p> <p>5 dated 1/3/2016</p> <p>6 Exhibit 120 Nuclear Development's 120</p> <p>7 Interim Damages Computation</p> <p>8</p> <p>9</p> <p>10</p> <p>11</p> <p>12</p> <p>13</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>
<p>1 INDEX</p> <p>2 WITNESS PAGE</p> <p>3</p> <p>4 FRANKLIN HANEY, SR.</p> <p>5 Direct Examination by Mr. Lembke 8</p> <p>6 Certificate of Oath 138</p> <p>7</p> <p>8</p> <p>9</p> <p>10</p> <p>11</p> <p>12</p> <p>13</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>	<p>Page 3</p> <p>1 PREVIOUSLY MARKED EXHIBITS REFERRED TO</p> <p>2 EXHIBIT DESCRIPTION PAGE</p> <p>3</p> <p>4 Exhibit 42 Email chain dated 8/18/2016 42</p> <p>5</p> <p>6 Exhibit 43 Email from Larry Blust 61</p> <p>7 dated 9/9/2016</p> <p>8 Exhibit 45 Email chain dated 10/4/2016 62</p> <p>9 Exhibit 89 Email from Larry Blust 63</p> <p>10 dated 10/18/2016</p> <p>11</p> <p>12 Exhibit 1 Bellefonte Nuclear Plant 66</p> <p>13 Site Purchase and Sales</p> <p>14 Agreement</p> <p>15</p> <p>16 Exhibit 18 Email chain dated 11/9/2018 70</p> <p>17</p> <p>18 Exhibit 116 Email from Marie Gillman 91</p> <p>19 dated 10/17/2018</p> <p>20 Exhibit 48 Email chain dated 96</p> <p>21 12/20/2016</p> <p>22</p> <p>23 Exhibit 49 Email chain dated 98</p> <p>24 12/21/2016</p> <p>25 Exhibit 15 Email chain dated 114</p> <p>10/25/2018</p>

<p style="text-align: right;">Page 6</p> <p>1 THE VIDEOGRAPHER: Here begins media number  2 one in the deposition of Franklin L. Haney, Sr.  3 in the matter of Nuclear Development, LLC vs.  4 Tennessee Valley Authority. Today's date is  5 January 24th, 2020. The time on the video is  6 9:03 a.m.  7 This video specialist is Pedro Martinez.  8 The court reporter is Alice Teslicko on behalf of  9 Veritext Legal Solutions. This video deposition  10 is taking place at 1100 South Ocean Boulevard,  11 Manalapan, Florida 33462.  12 Counsel, please identify yourself and whom  13 you represent.  14 MR. O'REAR: Caine O'Rear for Nuclear  15 Development.  16 MR. BLUST: And Larry Blust for Nuclear  17 Development.  18 MR. LEMBKE: Matt Lembke for the defendant.  19 MR. AYLIFFE: David Ayliffe for defendant.  20 MR. CHIN: Steve Chin for the TVA defendant.  21 THE VIDEOGRAPHER: Will the court reporter  22 please swear in the witness.  23  24  25</p>	<p style="text-align: right;">Page 8</p> <p>1 you understand the question, okay?  2 A Okay.  3 Q As you know, the court reporter is taking  4 down everything that we say. So if you answer  5 "uh-huh" or "uh-uh", I will likely say "was that yes  6 or was that no," and I'm not doing it to be rude. I'm  7 just doing it to make sure we have a clear record,  8 okay?  9 A Okay.  10 Q If at any point you'd like to take a break,  11 as soon as we answer the pending question we'll be  12 happy to take as many breaks as we need, all right?  13 A Thank you.  14 Q What is your home address, Mr. Haney?  15 A 1100 South Ocean Boulevard, Manalapan,  16 Florida.  17 Q So you're a legal resident of the State of  18 Florida?  19 A Yes, sir.  20 Q And what is your business address?  21 A If I have one, it's here. We have an office  22 in Chattanooga and in Washington, D.C.  23 Q And when you say "we have an office," who is  24 "we"?  25 A Well, really my son and I and my daughter in</p>
<p style="text-align: right;">Page 7</p> <p>1 Thereupon:  2 FRANKLIN HANEY, SR.  3 was called as a witness and having been first duly  4 sworn, was examined and testified as follows:  5 THE WITNESS: I do.  6 THE COURT REPORTER: Thank you.  7 DIRECT EXAMINATION  8 BY MR. LEMBKE:  9 Q Will you please state your name for the  10 record?  11 A Franklin Haney.  12 Q Mr. Haney, my name is Matt Lembke and we  13 were introduced a few minutes ago. I represent the  14 defendant, Tennessee Valley Authority, in this case  15 and I'm here to take your deposition today.  16 Have you ever had your deposition taken  17 before?  18 A I have, about 20 or 30 years ago.  19 Q Okay. Well, as you know, I'm going to ask  20 you a series of questions and you've just been placed  21 under oath, so you need to answer the questions to the  22 best of your ability.  23 If at any time you don't understand one of  24 my questions or you need it repeated, just let me know  25 and I'll be happy to do that. Otherwise I'll assume</p>	<p style="text-align: right;">Page 9</p> <p>1 Washington, and in Chattanooga we've got one lady.  2 Q And what is the business that you have these  3 offices for?  4 A Well, we have a lot of properties. We own a  5 major interest in the Dulles Toll Road, which is in  6 Washington, D.C. We own a few million square feet of  7 property in Washington. In Birmingham we have the  8 Birmingham Social Security building. We have beer  9 companies in Arkansas. We have properties in -- all  10 over the place.  11 Q Okay. You said you had your deposition  12 taken previously 20 or 30 years ago. What was that in  13 connection with?  14 A I can't even remember.  15 Q And how did you prepare for today's  16 deposition?  17 A I went over just some of the things, because  18 I don't do the normal day-to-day thing because I'll be  19 80 years old in two months, so -- but I had my lawyer  20 here and Larry, of course, took me over different  21 things.  22 Q Did you read any of the depositions that  23 have been taken prior to yours in this case?  24 A The only one I've looked at was my son's and  25 I spent -- just went through. I didn't spend a long</p>

<p style="text-align: right;">Page 10</p> <p>1 time, but I -- just to see what it was all about.</p> <p>2 Q Did you have any discussion with him about</p> <p>3 the deposition?</p> <p>4 A No.</p> <p>5 Q And did you review any documents to prepare</p> <p>6 for today's deposition, other than your son's</p> <p>7 deposition transcript?</p> <p>8 A The only thing was what the lawyers</p> <p>9 presented me to look at.</p> <p>10 Q Okay. Now, Mr. Haney, tell me what your</p> <p>11 educational background is.</p> <p>12 A Well, I went to University of Tennessee, and</p> <p>13 I graduated night law school at GW Law School.</p> <p>14 Q In Washington?</p> <p>15 A Yeah.</p> <p>16 Q And what year did you graduate from</p> <p>17 Tennessee?</p> <p>18 A Oh, lord. '62, I think.</p> <p>19 Q Okay. And tell me what was your first job</p> <p>20 out of college.</p> <p>21 A My first job out of college was to work for</p> <p>22 Senator Gore, I think, or a senator from Tennessee.</p> <p>23 Q And then after working for Senator Gore,</p> <p>24 what did you do next?</p> <p>25 A I went back to Nashville and I was</p>	<p style="text-align: right;">Page 12</p> <p>1 A No.</p> <p>2 Q So since the time you left the Tennessee</p> <p>3 Public Service Commission, is it fair to say you've</p> <p>4 pretty much worked for yourself?</p> <p>5 A Yes.</p> <p>6 Q And that would have been in the mid-1960s?</p> <p>7 A Yeah. It was the '60s on, yeah. Late '60s</p> <p>8 on, yeah.</p> <p>9 Q Okay. Now, have you ever had any experience</p> <p>10 with the nuclear power industry?</p> <p>11 A Well, we've been working on the Bellefonte</p> <p>12 plants for what, the last 15 or 20 years. I mean,</p> <p>13 they used -- TVA used our formula to do the Memphis</p> <p>14 bonds that they did for Browns Ferry, because you</p> <p>15 remember Memphis became an issue for the debt for</p> <p>16 Browns Ferry, because TVA didn't have the thing. So</p> <p>17 we've been for years trying to get TVA to finish.</p> <p>18 But we got -- we pushed them hard on Browns</p> <p>19 Ferry, and then we pushed them hard on Watts Bar, and</p> <p>20 we pushed them hard on Bellefonte, because they spent</p> <p>21 so much money and it was Rick Perry's money that they</p> <p>22 could -- that they should finish them, and they have</p> <p>23 finished most of them.</p> <p>24 Q Now, what was your involvement -- when you</p> <p>25 say that the bonds were issued for Browns Ferry, what</p>
<p style="text-align: right;">Page 11</p> <p>1 temporarily -- for a very short period of time worked</p> <p>2 for the Tennessee Public Service Commission and</p> <p>3 then -- for a very short time. Then I decided I</p> <p>4 didn't like that and started developing properties,</p> <p>5 moved back to Chattanooga.</p> <p>6 Q And what sort of properties did you develop?</p> <p>7 A Well, in Chattanooga I've done -- well, at</p> <p>8 one time I owned every TVA building. I owned the ones</p> <p>9 in Chattanooga, the ones in Knoxville, the ones in</p> <p>10 Muscle Shoals. That would be an example of what I do.</p> <p>11 Q Now, where did law school fit into that</p> <p>12 sequence, was that before or after you worked for</p> <p>13 Senator Gore?</p> <p>14 A It was during when I worked for Senator</p> <p>15 Gore. It was at night law school. I really didn't</p> <p>16 want to go, but the only way he would hire me is I'd</p> <p>17 would go to law school.</p> <p>18 Q And did you finish law school?</p> <p>19 A Yeah.</p> <p>20 Q And did you take the bar in any state?</p> <p>21 A I did, in Tennessee.</p> <p>22 Q You did, and are you still a licensed lawyer</p> <p>23 in Tennessee?</p> <p>24 A I don't know.</p> <p>25 Q Did you ever practice law?</p>	<p style="text-align: right;">Page 13</p> <p>1 role did you or your companies play in that?</p> <p>2 A Well, Larry and our people came up with the</p> <p>3 structure of how you finance it, and they adopted the</p> <p>4 financing structure and did it themselves.</p> <p>5 Q They did it themselves?</p> <p>6 A We made a proposal, but they went ahead and</p> <p>7 did it themselves, which is okay.</p> <p>8 Q Okay. And when you say Memphis was</p> <p>9 involved, that was through a power purchase agreement</p> <p>10 to back the bonds?</p> <p>11 A Well, now Larry would have to go into the</p> <p>12 details on how to do it. I'm not that. That's not my</p> <p>13 job.</p> <p>14 Q To your knowledge, have you or your company</p> <p>15 ever been involved in actually issuing or -- issuing</p> <p>16 bonds in connection with any TVA project?</p> <p>17 A I know we have. I'm pretty sure we have.</p> <p>18 Q Do you recall any of the specifics?</p> <p>19 A Let me think. I can't think of -- I mean, I</p> <p>20 don't know how we financed. We did so many of them, I</p> <p>21 don't remember how we financed.</p> <p>22 Q You said in response to my question a minute</p> <p>23 ago that you or your companies have been involved with</p> <p>24 Bellefonte for 15 or 20 years?</p> <p>25 A Well, all those nuclear plants. I've been</p>

<p style="text-align: right;">Page 14</p> <p>1 very pro TVA and still -- and I always thought if they  2 spent this kind of money like they did at Browns Ferry  3 or they did at Watts Bar and they did at the other  4 places, that they should finish them, and they have  5 and planned it most of the time to finish even  6 Bellefonte until recently.  7 Q What is the first involvement that you  8 recall you or your companies having with respect to  9 Bellefonte?  10 A Let's see. I wouldn't know the date. It  11 would be about 19- -- it would be 2002 or -- it's been  12 a long time.  13 Q All right. And what was going on in 2002?  14 A We made a proposal -- and of course Larry  15 could go into detail, but we made a proposal to --  16 because TVA had more or less reached their cap on  17 being able to do Watts Bar, for example. We made a  18 proposal to do -- to use their -- you know, to enter  19 into a lease agreement and issue debt.  20 But they ended up paying for it out of their  21 own pocket, so --  22 Q Now, that was Watts Bar?  23 A We even tried to help TVA, spent a lot of  24 time getting tax credits, and we tried to make Watts  25 Bar get its tax credits so TVA could sell them.</p>	<p style="text-align: right;">Page 16</p> <p>1 use a company like as a credit or you got something  2 like the toll road you use as a credit, and we borrow  3 large sums of money. We've gotten some huge deals and  4 some -- many small deals.  5 Q But where does your -- where is the profit  6 in it for your company?  7 A Well, the development fee plus ownership. I  8 always do things where we end up as ownership.  9 Like the toll road is a great example. We  10 financed it and we ended up owning half of it. It's  11 the Dulles Toll Road from the Dulles Airport to  12 Leesburg, and it's a multi-billion dollar project and  13 of course we made a fortune off of it.  14 It was going into bankruptcy and it wasn't  15 working and they didn't know what to do with it, and  16 we picked it up and redid it and got the State of  17 Virginia to extend the -- not the lease, but whatever  18 you call it, so that they could continue the toll road  19 for a longer period of time and so on.  20 So we carried it from start to finish, just  21 like we would Browns Ferry. It's just a normal thing  22 that we've done. We would -- we can use Browns Ferry.  23 I mean, but Bellefonte, the money is  24 available, which we've kept in the budget thanks to  25 Senator Shelby and Senator Lamar Alexander. They're</p>
<p style="text-align: right;">Page 15</p> <p>1 In fact, we got the tax credits for  2 Bellefonte because it was an advanced use facility,  3 but they ruled that -- the DOE ruled that Watts Bar  4 was not an advanced nuclear. So we were pushing  5 Bellefonte over Watts Bar.  6 But for whatever reason we still got to see  7 them do it, because the only two nuclear plants that's  8 been done in the United States, practically, has been  9 TVA. So we were happy with that.  10 Q How does your company make money if TVA had  11 accepted one of these proposals for issuance of debt?  12 A Well, we would have to come in and do  13 everything like we're doing now. We would have had to  14 come in and gotten an operator. We would assume it  15 would be TVA. And then we'd have to -- we'd even do  16 the construction, put it out for competitive bids.  17 We've always been arguing with TVA that  18 there's not -- we don't think there's enough  19 competitive bids on these things. Then we would  20 actually put the bond issues together, working with  21 Larry -- and you could go into detail with him --  22 because you got the credit of TVA, and that's how we  23 do it.  24 I mean, I've done lots of these kind of  25 deals where you use government as the credit or you</p>	<p style="text-align: right;">Page 17</p> <p>1 both chairmen of appropriations of nuclear. They've  2 kept the money in the Congress to finish Bellefonte,  3 and the money is there.  4 Even though they try to take it out every  5 time the budget comes together, Senator Shelby and  6 Senator Alexander have kept it there for anybody that  7 could put it together.  8 Q And when you say the money is there, do you  9 mean money to back a DOE loan?  10 A No, it would be the DOE loan. The actual  11 money is there. I mean, it's in the budget.  12 Q Okay.  13 A It's in there now. Nobody else is trying to  14 get the money. That's what's interesting. We've even  15 tried to get TVA to let us do it for them. You know,  16 we've made all sorts of proposals.  17 But this is a very common deal for us. I  18 mean, we take a project -- like I took Birmingham when  19 I was very young, and they had a government lease and  20 I used the lease and maybe -- I remember your firm  21 from something. It seems like we worked together or  22 something.  23 But the point is we -- this Bellefonte is  24 just what we do. I mean, that type of financing,  25 putting it together, ending up owning it, and we</p>

<p style="text-align: right;">Page 18</p> <p>1 always pick projects where people have already spent a 2 lot of money. 3 Like TVA spent \$5 billion there, so you 4 don't have to spend that much to finish it. The toll 5 road, they spent billions there, so we were able to -- 6 so we think we're pretty good at it. 7 Q When you say, Mr. Haney, that you've done 8 lots of these projects, other than what you're doing 9 now at Bellefonte, have any of them involved nuclear 10 power plants? 11 A Not that we've done, but we've shown them 12 how to do it at Browns Ferry and at -- of course Watts 13 Bar, they did it themselves. 14 Q Now, a minute ago you said that you and your 15 company have pushed hard for Browns Ferry and Watts 16 Bar and Bellefonte. When you say you "pushed hard," 17 what do you mean? 18 A Well, we just always made proposals to them 19 if they said you should finish these plants because 20 you spent so much money and it would be very good for 21 the -- not only for the employment that it would do, 22 but for the power would be much cheaper because you 23 already spent all this money. 24 Q With respect to Bellefonte, are there any 25 specifics you can tell me about how you pushed hard</p>	<p style="text-align: right;">Page 20</p> <p>1 The time is 9:19. 2 (Discussion off the record.) 3 THE VIDEOGRAPHER: Back on the record. The 4 time is 9:20 a.m. 5 BY MR. LEMBKE: 6 Q Mr. Haney, before we went off the record we 7 were talking about the time period before TVA's 8 decision to declare Bellefonte to be surplus property 9 and as part of your company's efforts to push 10 Tennessee, the TVA hard on Bellefonte, did you engage 11 lobbyists? 12 A I don't know. We could have, but I don't 13 know. 14 Q You don't remember. Did you talk to elected 15 officials about it? 16 A Yeah. Yes, we did. Dennis Bottorff and I 17 were partners in the deal. He was, as I said, the 18 former chairman of TVA, and Mr. Kilgore I think asked 19 us to come in. I'm not quite sure. 20 As I said, we were going down the road. We 21 would have done it, because he tried to do it while he 22 was chairman and then they elected a Democrat and he 23 didn't get reappointed to the board and they quit 24 doing Bellefonte, even though they spent a lot of 25 money on Bellefonte.</p>
<p style="text-align: right;">Page 19</p> <p>1 for them to complete it before TVA decided to declare 2 it surplus property? 3 A I'm sorry, repeat. 4 Q Yes, sir. I want to talk now about the time 5 period before TVA decided that it was going to declare 6 Bellefonte surplus property, okay, before that. 7 A Okay. 8 Q Were you or your company involved in pushing 9 TVA to finish Bellefonte during that period? 10 A We made proposals to them. Yes, we did. 11 Q And just what sorts of proposals did you 12 make in that time period? 13 A Well, we made many different proposals, 14 because -- and I think Mr. Kilgore had a stake. He 15 was very much for it. We would have probably done 16 Bellefonte, but then of course when former chairman -- 17 during that period of time in Nashville -- my mind is 18 kind of -- there's a little medicine I'm taking -- the 19 former chairman of TVA pushed it hard, was one of our 20 cohorts to finish Bellefonte. 21 MR. LEMBKE: Let's stop and go off the 22 record for a second. We'll wait for Mr. O'Rear 23 to get back. 24 THE WITNESS: Okay. 25 THE VIDEOGRAPHER: Going off the record.</p>	<p style="text-align: right;">Page 21</p> <p>1 So he spent full-time practically working 2 with me trying to do Bellefonte. 3 Q And what business is he in in Nashville? 4 A Well, he was one of the major bankers there 5 and in the country before he became chairman of the 6 board of TVA. 7 Q Is he retired now? 8 A I don't know if he's retired or not. 9 Q Okay. 10 A I mean, he works. I mean, he probably would 11 not call it retirement. 12 Q Are you still doing any business with him 13 today? 14 A I always consult him on things. 15 Q Which elected officials do you remember 16 meeting with pertaining to pushing TVA hard to 17 complete Bellefonte? 18 A Goodness, we even had a meeting before the 19 board of TVA with Lamar Alexander and Corker, and of 20 course Senator Shelby has always been a huge supporter 21 trying to finish Bellefonte, because he's chairman of 22 the appropriations, the Senator. 23 The other Senator -- well, all the 24 Congressmen in Alabama and Tennessee have worked hard 25 to try to push Bellefonte to be finished. It's not --</p>



<p style="text-align: right;">Page 22</p> <p>1 Republican and Democrat.</p> <p>2 Q Have you ever had any experience in actually</p> <p>3 constructing a nuclear plant?</p> <p>4 A No.</p> <p>5 Q Have you or your company -- and that goes</p> <p>6 for your company as well?</p> <p>7 A That's true.</p> <p>8 Q Have you or your company ever had any</p> <p>9 experience in operating a nuclear plant?</p> <p>10 A No.</p> <p>11 Q Have you or your company ever had any</p> <p>12 experience in owning a nuclear plant?</p> <p>13 A No. Tried hard, but no.</p> <p>14 Q All right. Have you or your company --</p> <p>15 prior to November of 2018, have you or your company</p> <p>16 ever applied for any license from the Nuclear</p> <p>17 Regulatory Commission?</p> <p>18 A I don't know.</p> <p>19 Q Have you kept any personal notes of meetings</p> <p>20 you've had about Bellefonte?</p> <p>21 A No.</p> <p>22 Q Have you kept any other documents relating</p> <p>23 to Bellefonte?</p> <p>24 A I would assume we got a lot of documents.</p> <p>25 Q Do you have any -- well, have you made an</p>	<p style="text-align: right;">Page 24</p> <p>1 MR. BLUST: We had Mr. Haney's office</p> <p>2 produce all of his records. He doesn't maintain</p> <p>3 them personally.</p> <p>4 THE WITNESS: I don't maintain them.</p> <p>5 MR. BLUST: So I would say to you that I</p> <p>6 doubt it. We can take another look, but the fact</p> <p>7 is that his family office, which maintains the</p> <p>8 records, produced all the records of his.</p> <p>9 BY MR. LEMBKE:</p> <p>10 Q Mr. Haney, am I correct you testified a</p> <p>11 minute ago you may have some documents pertaining to</p> <p>12 Bellefonte in your own office here that have not been</p> <p>13 looked through, correct?</p> <p>14 A No, no, I didn't mean that. I think they --</p> <p>15 we would not hold anything back.</p> <p>16 Q No, my question is, you may have some</p> <p>17 documents -- you have an office here in your home,</p> <p>18 correct?</p> <p>19 A Well, I've got a desk, yes.</p> <p>20 Q And you may have some documents pertaining</p> <p>21 to Bellefonte here in your home, right?</p> <p>22 A There could be.</p> <p>23 Q And you've not looked for those, correct?</p> <p>24 A No, I haven't.</p> <p>25 Q Has anyone looked for those, the ones that</p>
<p style="text-align: right;">Page 23</p> <p>1 effort to collect documents, your documents that may</p> <p>2 be responsive to requests for production of documents</p> <p>3 submitted by TVA in this case?</p> <p>4 A I haven't.</p> <p>5 Q You haven't. Are there documents here in</p> <p>6 your house relating to Bellefonte?</p> <p>7 A I don't know. I mean, there might be</p> <p>8 something, but nothing that wouldn't -- that my office</p> <p>9 in Chattanooga or Washington wouldn't have.</p> <p>10 Q Have you made any effort to go through your</p> <p>11 personal -- your documents in your personal office</p> <p>12 relating to Bellefonte?</p> <p>13 A No.</p> <p>14 MR. LEMBKE: All right. Let me state for</p> <p>15 the record that we think we're entitled to any</p> <p>16 responsive documents that Mr. Haney has in his</p> <p>17 possession. The fact that others may have them</p> <p>18 is not sufficient, and we'll reserve our right to</p> <p>19 resume this deposition once we find out if there</p> <p>20 are such documents.</p> <p>21 MR. O'REAR: Yeah, I'm not aware of any that</p> <p>22 others wouldn't have or they haven't produced.</p> <p>23 MR. LEMBKE: Well, as you know, Caine, you</p> <p>24 can't say "well, someone else has it, so we don't</p> <p>25 have to produce it."</p>	<p style="text-align: right;">Page 25</p> <p>1 are here in your home?</p> <p>2 A That I don't know.</p> <p>3 Q You don't know, okay.</p> <p>4 Do you keep calendars, your calendars that</p> <p>5 would reflect meetings you've had pertaining to</p> <p>6 Bellefonte?</p> <p>7 A No.</p> <p>8 Q Would your office have those?</p> <p>9 A They could -- they should. The Chattanooga</p> <p>10 office should have them.</p> <p>11 Q Okay.</p> <p>12 A I don't know.</p> <p>13 Q All right. Now, have you ever been involved</p> <p>14 personally in civil litigation? Not your company, but</p> <p>15 you, yourself, sued or been sued?</p> <p>16 A I don't know over the years.</p> <p>17 Q Okay.</p> <p>18 A I haven't had that many lawsuits. But I</p> <p>19 don't know, there could have been one. I don't know.</p> <p>20 Q Has your company sued or been sued other</p> <p>21 than in this case, that you can recall?</p> <p>22 MR. O'REAR: You're talking about Nuclear</p> <p>23 Development?</p> <p>24 BY MR. LEMBKE:</p> <p>25 Q I'm talking about any of your companies.</p>

<p style="text-align: right;">Page 26</p> <p>1 A I don't know. There might be. I don't 2 know. 3 Q Okay. 4 A I don't think so, but I don't know. 5 Q All right. So to the best of your 6 knowledge, none of your companies has ever filed a 7 lawsuit prior to Nuclear Development suing TVA? 8 A We don't go around suing people. I don't 9 know. I just really don't know. 10 Q Have you ever been indicted before? 11 A I was once for a campaign contribution. 12 Q And campaign contributions to whom? 13 A I think it was to Senator Gore, but I was 14 acquitted of it. 15 Q And other than the one time you recall that 16 you don't remember the case, is that the only time 17 you've had your deposition taken, once? 18 A No, I've had my deposition I'm sure taken 19 more than once, but it's been a long time. 20 Q You don't remember any of the specifics? 21 A No. 22 Q Okay. Now, what is Nuclear Development LLC? 23 A Well, of course he can answer it, but it's a 24 company set up to develop, I assume, Bellefonte. 25 Q And I'm going to represent to you that</p>	<p style="text-align: right;">Page 28</p> <p>1 Q You're not sure? 2 A I'm not sure. I know I'm the boss, so -- 3 Q Okay. So basically everyone answers to you 4 at Nuclear Development? 5 A Well, they don't bother me most of the time, 6 but I'm the final say-so. 7 Q Okay. Now, who are the officers of Nuclear 8 Development, do you know? 9 A Yeah, my son I think is president and Bill 10 McCollum, who used to be with the TVA, is -- was 11 number two, and then my son, and then I guess my wife 12 is like secretary or something like that. 13 Q All right. I'm going to represent to you 14 that Nuclear Development has stated that Mr. Blust is 15 an office of Nuclear Development. 16 A He is, he is. I'm sorry, he's a secretary. 17 He's been our lawyer for a long time. 18 Q What are your son's qualifications to be 19 president of Nuclear Development? 20 A Well, he was primarily responsible for doing 21 the Dulles Speedway, which was a huge financing, and 22 he's done a lot of these things over the years. I'm 23 not a detail person, and he's more -- he's done quite 24 well and is good working with the rating agencies and 25 good working with the different law firms and that</p>
<p style="text-align: right;">Page 27</p> <p>1 there's a document that Nuclear Development prepared 2 that says Nuclear Development was formed in 2012. 3 Do you have any reason to doubt that? 4 A I don't know. 5 Q Okay. Why was it formed in 2012? 6 A I don't know. 7 Q All right. Well, 2012 was several years 8 before TVA declared Bellefonte to be surplus property, 9 so what was Nuclear Development's purpose prior to 10 that time? 11 A I don't know exactly, but it might have been 12 trying to do one of the other nuclear plants. 13 Q Who owns Nuclear Development? 14 A I think the way it's set up, the family 15 is -- I own a small percentage. My wife is trustee 16 for the children for 75 percent -- this is the way we 17 set it up. I mean, I'll be 80 next month, so I don't 18 need more for myself. But that's the way it's set up 19 for the children. 20 Q So you and family trusts own it; is that 21 what you're saying? 22 A Right. 23 Q What is your position at Nuclear 24 Development? 25 A I imagine I'm the chairman.</p>	<p style="text-align: right;">Page 29</p> <p>1 sort of stuff, so -- 2 Q He's never had any experience of any kind in 3 building a nuclear plant, correct? 4 A Correct. 5 Q Or in operating a nuclear plant, correct? 6 A Correct. 7 MR. O'REAR: You're talking about before the 8 Nuclear Development project? 9 MR. LEMBKE: I wasn't aware that Nuclear 10 Development has built a nuclear plant. 11 MR. O'REAR: Well, he's been involved in 12 that, so I just -- your question was unclear. 13 MR. LEMBKE: Well, is there an objection? 14 MR. O'REAR: Yeah, your question was unclear 15 as to timing. 16 MR. LEMBKE: Well, I would ask that we do 17 away with speaking objections and just state an 18 objection to form and if -- 19 MR. O'REAR: I object to the form, 20 ambiguous. 21 MR. LEMBKE: All right. 22 BY MR. LEMBKE: 23 Q Nuclear Development to this date has never 24 built a nuclear plant, correct? 25 A No, it hasn't.</p>



<p style="text-align: right;">Page 30</p> <p>1 Q And Nuclear Development to this date has 2 never operated a nuclear plant, correct? 3 A Correct. 4 Q Prior to the time that Nuclear Development 5 entered into its contract with TVA to purchase 6 Bellefonte, your son had never had any involvement of 7 any kind in overseeing construction of a nuclear 8 plant, correct? 9 A Right, yeah, that's correct. 10 Q Nor had he had any experience in overseeing 11 operation of a nuclear plant, correct? 12 A That's correct. 13 Q And he has no training in nuclear 14 engineering, correct? 15 A Right. 16 Q He's a finance guy, correct? 17 A He is, but spent a lot of time on 18 construction of nuclear plants and that sort of stuff. 19 Q Well, which nuclear plants did he spend time 20 on construction? 21 A Well, I mean, we were given all the plans 22 and stuff by TVA on Bellefonte and we spent months. 23 He did. We had most of the major contractors in the 24 United States looking at all the plans to see what the 25 cost was.</p>	<p style="text-align: right;">Page 32</p> <p>1 A No, it's been this year or last year, the 2 end of last year. 3 Q And last year being 2018 or '19? 4 A '19. 5 Q Okay. So the year just completed? 6 A Right, just the last part of the year. 7 Q And when did he first start having to spend 8 time on his divorce, do you recall? 9 A I don't know exactly, because we had known 10 about it for a while. But you know, the last part of 11 last year. 12 Q All right. At or about the time 13 Mr. McCollum was elevated to CEO, that was one of the 14 reasons why he was elevated; is that fair? 15 A That's fair. 16 Q Now, Mr. McCollum, even though he's the 17 chief executive officer, he's not an employee of 18 Nuclear Development, correct? 19 A That's correct. 20 Q Is that in your experience an unusual 21 situation, where the CEO is not an employee of the 22 company over which he's the CEO? 23 A Not unusual, but we just try to get the best 24 people we can for what we're trying to do. 25 Q And Mr. Blust, even though he's secretary</p>
<p style="text-align: right;">Page 31</p> <p>1 Q But your son would have no way to read those 2 plans and understand whether it was a viable plan to 3 build a nuclear plant, correct, in terms of the 4 science? 5 A I wouldn't think so. 6 Q Now, I understand that Mr. McCollum's office 7 changed. He was elevated to CEO at some point in 8 Nuclear Development, right? 9 A Right. 10 Q Why was his role changed? 11 A Well, he's highly qualified for things that 12 we were getting down to, having worked at TVA stuff. 13 So I depend on him to be the one that knows all this 14 stuff. 15 Q Were there any problems with the existing 16 management structure that led you to elevate 17 Mr. McCollum? 18 A Well, not any problems, except my son was 19 getting a divorce at that time and he had spent a 20 lot -- he's got four small kids -- and he spent a lot 21 of time on it. So I thought that Bill should move up 22 till -- during that period of time. 23 Q And when was this going on with your son? 24 A During that period of time. 25 Q The 2016 to 2018 time period?</p>	<p style="text-align: right;">Page 33</p> <p>1 and general counsel, is not an employee, correct? 2 A Correct. 3 Q He's just paid on an hourly basis, correct? 4 A Correct. 5 Q Same with Mr. McCollum, right? 6 A Correct. 7 Q Now, a minute ago we were talking about -- 8 well, let me strike that and start over. 9 At some point you learned that TVA had made 10 the decision that they were not going to proceed with 11 Bellefonte, correct? 12 A I did the night before. 13 Q The night before the decision was made? 14 A No, the night before we were supposed to 15 close. 16 Q No, sir. I'm now talking about prior to the 17 time TVA declared Bellefonte to be surplus property. 18 I'm talking about when TVA made the decision that TVA 19 itself was not going to complete Bellefonte. 20 MR. O'REAR: What's the question? 21 MR. LEMBKE: I'm trying to give him the 22 timeframe. 23 BY MR. LEMBKE: 24 Q So that's the timeframe I'm talking about 25 and my question is, do you recall learning that TVA</p>

<p style="text-align: right;">Page 34</p> <p>1 had made the decision that TVA itself was not going to  2 complete Bellefonte?  3 A I think Mr. Johnson told me that, yes.  4 Q Okay. And did you or your company make any  5 effort to encourage TVA not to make that decision?  6 A Not that I know of.  7 Q All right. I understand, Mr. Haney, that  8 there came a point at which you had a meeting with  9 Robert Bentley, the Governor of Alabama, about  10 Bellefonte?  11 A That's correct.  12 Q Did you have more than one meeting with  13 Governor Bentley about Bellefonte?  14 A Could have. He and I were very close.  15 Q How many do you recall having with him?  16 A We were putting a tenant, a State tenant  17 which we won by competitive bids, into Birmingham. So  18 I would have -- I might have talked to him many times,  19 but not about nuclear power.  20 Q All right. When do you recall first  21 discussing the Bellefonte project with Governor  22 Bentley?  23 A I don't know the exact date. All I know is  24 that he called a meeting, which the president of  25 Alabama Power and all the people -- because he was</p>	<p style="text-align: right;">Page 36</p> <p>1 A I think so. It's been a long time.  2 Q Was that in Montgomery, in the Governor's  3 office?  4 A I don't know. I just know that there was --  5 I don't know the exact on that one, because that was  6 not my meeting.  7 Q Okay. Have you told me everything you can  8 remember about that meeting with Mr. Johnson  9 pertaining to the million megawatts of power?  10 A Yeah, that's the only thing.  11 Q Now, you mentioned there was a meeting, am I  12 right, it was in Governor Bentley's office in  13 Montgomery with Mr. Crosswhite of Alabama Power?  14 A It was huge, everybody. I don't remember  15 who the Governor invited. He invited -- the room was  16 completely packed with the business leaders of  17 Alabama.  18 Q And you were there?  19 A Yeah.  20 Q Mr. Blust was there?  21 A I think so.  22 Q Mr. Johnson was there?  23 A Yeah.  24 Q Do you remember if Ms. Quirk was there from  25 TVA?</p>
<p style="text-align: right;">Page 35</p> <p>1 very interested. They were closing all the coal  2 plants in Alabama and he wanted to create jobs and  3 wanted to do Bellefonte.  4 Q Now, is it fair to say that you had had some  5 conversation with Governor Bentley about Bellefonte  6 before he called that meeting with the president of  7 TVA and the president of Alabama Power?  8 A Probably, yeah.  9 Q Do you remember any of the details about  10 that conversation?  11 A Well, the only thing I remember is that we  12 had a meeting once that Mr. Johnson was there and he  13 promised the Governor that since they were closing all  14 those coal plants at those places, that they would do  15 a million square feet -- a million megawatts of power  16 in Alabama. He could do a gas plant or a nuclear  17 plant.  18 Q Was that the meeting at which the president  19 of Alabama Power was also --  20 A No, that was a different meeting.  21 Q And you were in attendance at that meeting,  22 the one where -- was it Mr. Johnson making that  23 promise?  24 A Yeah.  25 Q Were you in attendance at that meeting?</p>	<p style="text-align: right;">Page 37</p> <p>1 A I don't remember.  2 Q Mr. Crosswhite was there?  3 A Yeah.  4 Q And the Governor?  5 A Yeah.  6 Q Do you recall anyone else who was there?  7 A Well, I know that the -- his staff was  8 there.  9 Q Anyone else there for Nuclear Development?  10 A I don't know.  11 Q Now, tell me what you remember occurring at  12 that meeting.  13 A Everybody was going to work together to try  14 to see what they could do about Bellefonte or this  15 other stuff.  16 Q What other stuff?  17 A Anything to do with development in Alabama.  18 I think it wasn't just -- I don't think it was just  19 for Bellefonte, but I don't remember the exact. But  20 it was -- Bellefonte was a big part of it.  21 Q What do you remember Mr. Crosswhite saying  22 about Bellefonte on behalf of Alabama Power?  23 A Well, what I expected him to say is they  24 didn't need the power, but they were all for it.  25 Q And what do you remember Mr. Johnson saying?</p>

<p style="text-align: right;">Page 38</p> <p>1 A I think the same thing.</p> <p>2 Q They didn't -- TVA didn't need the power?</p> <p>3 A I think so, but they all say that.</p> <p>4 Q Well, you act as though you didn't believe</p> <p>5 that; is that fair?</p> <p>6 A That's fair.</p> <p>7 Q Why didn't you believe it?</p> <p>8 A Well, because they're closing down all these</p> <p>9 coal plants and things and you know -- of course,</p> <p>10 that's my own view.</p> <p>11 Q Had you done any studies of all of the TVA</p> <p>12 generation facilities and the future needs to see</p> <p>13 whether there was a basis for your skepticism as to</p> <p>14 TVA's conclusion in that regard?</p> <p>15 A No, but I had advisers, Bill and</p> <p>16 Mr. Bottorff, who was chairman, the one that spoke.</p> <p>17 They were very high up and they, of course, took the</p> <p>18 view that TVA needed the power.</p> <p>19 Q Okay. Was there any specific takeaway from</p> <p>20 the meeting with the Governor, Mr. Crosswhite,</p> <p>21 Mr. Johnson, and yourself and others?</p> <p>22 A Any what?</p> <p>23 Q Any specific takeaway from that meeting?</p> <p>24 A No, I thought it was a great meeting. I</p> <p>25 mean, they weren't going to -- at least they said they</p>	<p style="text-align: right;">Page 40</p> <p>1 Q And when you said you talked to Bill, are</p> <p>2 you referring to McCollum or Johnson?</p> <p>3 A No, both of them knew we had construction</p> <p>4 tax credits -- I mean, production tax credits.</p> <p>5 Q Well, what I was -- when I asked the</p> <p>6 question about what research you did before deciding</p> <p>7 that Nuclear Development would make a bid on the</p> <p>8 Bellefonte property, you said you talked to Bill and I</p> <p>9 was unclear whether you were referring to Johnson</p> <p>10 or --</p> <p>11 A No, I'm sorry, Bill McCollum.</p> <p>12 Q Bill McCollum. What do you recall</p> <p>13 discussing with Bill McCollum?</p> <p>14 A Same old thing about need, and he's very</p> <p>15 familiar with all these kind of things and of</p> <p>16 course -- and so did Mr. Butteroff, and they all felt</p> <p>17 that TVA didn't need it.</p> <p>18 Now, of course, they could go build other</p> <p>19 things and they did, but it was a matter of what they</p> <p>20 decided to do. At least that was their opinion, which</p> <p>21 had great weight on me.</p> <p>22 Q What had great weight, McCollum's view?</p> <p>23 A And Mr. Bottorff's, with the kind of</p> <p>24 experience they had.</p> <p>25 Q Now, any other research that you did</p>
<p style="text-align: right;">Page 39</p> <p>1 weren't going to stand in the way of doing Bellefonte</p> <p>2 and thought it was -- if you could get it done, it was</p> <p>3 something that should be done.</p> <p>4 That's how I come away from the meeting.</p> <p>5 Q Now, subsequent to that meeting TVA made the</p> <p>6 decision to auction off Bellefonte as surplus</p> <p>7 property, correct?</p> <p>8 A Correct.</p> <p>9 Q And what research did you do before deciding</p> <p>10 that Nuclear Development would make a bid on the</p> <p>11 Bellefonte property?</p> <p>12 A Well, I consulted with Bill and I consulted</p> <p>13 with Johnson and the others -- and I had great</p> <p>14 relationships at that time with Mr. Johnson, thought</p> <p>15 highly of him, and I just figured that something could</p> <p>16 be worked out, because we had already gotten and spent</p> <p>17 a fortune getting the construction tax credits.</p> <p>18 We had two and a half billion of</p> <p>19 construction tax credits and the Governor was talking</p> <p>20 about -- and we still do -- the Governor was talking</p> <p>21 about the probability that the State might do 800 to a</p> <p>22 billion dollars of subsidy if we did Bellefonte.</p> <p>23 Q Now, when you say construction tax credits,</p> <p>24 do you mean production tax credits?</p> <p>25 A Production tax credits.</p>	<p style="text-align: right;">Page 41</p> <p>1 yourself before deciding that Nuclear Development</p> <p>2 would make a bid on the Bellefonte property?</p> <p>3 A I probably did, but I don't remember.</p> <p>4 Q Are you aware of any other research that</p> <p>5 others at Nuclear Development did prior to the</p> <p>6 decision to make a bid?</p> <p>7 A I'm not, but --</p> <p>8 Q Let me show you what has previously been</p> <p>9 marked as Exhibit 42 in this case. I'll let you take</p> <p>10 a minute to review this, and I'm going to direct your</p> <p>11 attention particularly to numbered paragraph one in</p> <p>12 this email on the first page.</p> <p>13 A It's so small I can hardly read it.</p> <p>14 Q Mr. Haney, if you have reading glasses that</p> <p>15 you need to put on or get --</p> <p>16 A I don't have them.</p> <p>17 Q Okay.</p> <p>18 A This all happened since the illness. I had</p> <p>19 perfect vision.</p> <p>20 I don't even know what this is.</p> <p>21 Q Well, if you look at the top of the first</p> <p>22 page of Exhibit 42, it is an email from Larry Blust on</p> <p>23 August 18th, 2016 and I'll represent to you that</p> <p>24 coneill@ceadvisors.com is Carrie O'Neill at Concentric</p> <p>25 Advisors, and you received a copy of this email.</p>

<p style="text-align: right;">Page 42</p> <p>1 You see that?</p> <p>2 A Yeah.</p> <p>3 Q And this was a few months before Nuclear</p> <p>4 Development entered into the contract with TVA, okay?</p> <p>5 A Okay.</p> <p>6 Q In paragraph one, numbered paragraph one, at</p> <p>7 the end of the third line of that numbered</p> <p>8 paragraph -- well, I'll even read the -- I'll just</p> <p>9 read to you.</p> <p>10 It says: "In section three" -- this is</p> <p>11 talking about a draft of a confidentiality agreement.</p> <p>12 "In section three we deleted C, barring disclosure of</p> <p>13 the transaction and Nuclear Development's</p> <p>14 participation in it. You have publicized this</p> <p>15 transaction, and ND was the main party urging TVA to</p> <p>16 dispose of the site so ND could complete the plants</p> <p>17 once TVA determined it would not complete these</p> <p>18 plants."</p> <p>19 Then it says: "As part of this process, ND</p> <p>20 has contacted various interested government officials</p> <p>21 and legislators and met with DOE, NRC, IRS, and other</p> <p>22 governmental agencies and customers and suppliers of</p> <p>23 TVA about the feasibility and financing of the</p> <p>24 project." Okay?</p> <p>25 A Yes.</p>	<p style="text-align: right;">Page 44</p> <p>1 other Alabama Senator was Jeff Sessions. Did you have</p> <p>2 any conversations with Senator Sessions about</p> <p>3 Bellefonte?</p> <p>4 A I did not, but he was for it, I was told.</p> <p>5 But I did not.</p> <p>6 Q Did you have any conversations with other</p> <p>7 Congressmen or women from Alabama about Bellefonte?</p> <p>8 A I did, the Congressman I forget there at the</p> <p>9 site. I can't think --</p> <p>10 Q Mo Brooks?</p> <p>11 A Mo Brooks, yeah.</p> <p>12 Q What do you remember discussing with</p> <p>13 Mo Brooks?</p> <p>14 A Well, he's very much for having the plant be</p> <p>15 built for the jobs it would have created.</p> <p>16 Q Anything else you remember talking with him</p> <p>17 about?</p> <p>18 A Just help me where you can.</p> <p>19 Q Okay. And do you remember having</p> <p>20 conversations with any of the other Alabama</p> <p>21 Congressmen or Congresswomen about this?</p> <p>22 A I personally don't believe I did, but we did</p> <p>23 get letters of support from most of the Congressmen.</p> <p>24 Q Okay. Did you have any discussions with</p> <p>25 Senator Alexander of Tennessee about Bellefonte?</p>
<p style="text-align: right;">Page 43</p> <p>1 Q And my question is, what contact -- or what</p> <p>2 interested government officials and legislators did ND</p> <p>3 contact as part of this process?</p> <p>4 A Who's ND?</p> <p>5 Q ND is Nuclear Development.</p> <p>6 A Okay. I have no idea.</p> <p>7 Q Okay.</p> <p>8 A This is definitely not written by me, so I</p> <p>9 don't know.</p> <p>10 Q So other than what you've told me</p> <p>11 previously, you're not aware of what government</p> <p>12 officials and legislators that ND met with in the time</p> <p>13 period leading up to its entering into the agreement</p> <p>14 with TVA to purchase the Bellefonte site?</p> <p>15 A Well, I would have personally, you know,</p> <p>16 gotten in touch with people like Shelby or the</p> <p>17 senators or there are people who I see, you know, I'm</p> <p>18 sure. But I don't have any -- because I didn't write</p> <p>19 this. I don't --</p> <p>20 Q Well, do you -- what do you remember</p> <p>21 discussing with Senator Shelby?</p> <p>22 A Well, I've always discussed with him -- he's</p> <p>23 always wanted Bellefonte to be finished because of the</p> <p>24 jobs it would create.</p> <p>25 Q All right. Now, during this time period the</p>	<p style="text-align: right;">Page 45</p> <p>1 A Yes.</p> <p>2 Q What do you remember discussing with him?</p> <p>3 A Just make sure that they keep the money in</p> <p>4 the program so we can finance it.</p> <p>5 Q All right. And you mentioned earlier you</p> <p>6 had had discussions with Senator Corker while he was</p> <p>7 still in the Senate?</p> <p>8 A I'm sure I did.</p> <p>9 Q About the same topic or --</p> <p>10 A Yeah.</p> <p>11 Q Have you had any conversations with Senator</p> <p>12 Blackburn of Tennessee about Bellefonte?</p> <p>13 A Lately or during this period?</p> <p>14 Q Well, when she was a Congresswoman during</p> <p>15 this period, did you have any conversations?</p> <p>16 A No.</p> <p>17 Q What about lately?</p> <p>18 A I mean, she knows about it now because all</p> <p>19 of the press that's been going on in Memphis.</p> <p>20 Q Are there any other Senators or Congressmen</p> <p>21 or women that you remember talking about Bellefonte</p> <p>22 with?</p> <p>23 A That's a hard question. I don't know, and I</p> <p>24 can't just pick one out.</p> <p>25 Q Okay. And you spoke to Governor Bentley</p>

<p style="text-align: right;">Page 46</p> <p>1 about it. Have you had any conversations with  2 Governor Ivey about it?  3 A I personally have not, but our staffs have.  4 Q It also references in this email that  5 Nuclear Development had contacted and met with the  6 Department of Energy. Were you ever involved in  7 meeting with officials of the Department of Energy?  8 A Yeah.  9 Q Tell me about that.  10 A Well, we had certain meetings of trying  11 to -- you know, they've got the money to loan to build  12 the facility. See if we can get -- if they were  13 interested in making the loan, and they have been  14 interested in making the loan.  15 Q All right.  16 A Nobody else is trying to get it. There's  17 nobody else trying to build a nuclear plant, so --  18 Q How many meetings have you personally  19 participated in with anyone at the Department of  20 Energy?  21 A I don't know, two or three.  22 Q What do you recall is the first one?  23 A Oh, lord. I can't remember what the first  24 one -- what I said or whatever. It would just be  25 trying to get the loan.</p>	<p style="text-align: right;">Page 48</p> <p>1 through stage one, they put us in stage two. You have  2 to pay for it every time. So we were in the last  3 stage and have actually signed off that we've gotten  4 in everything that's necessary for the loan.  5 Q All right. Has anyone at the Department of  6 Energy told you when a final decision will be made?  7 A No.  8 Q It also says that Nuclear Development has  9 met with the Nuclear Regulatory Commission. Prior to  10 the time that Nuclear Development entered into its  11 contract with TVA to purchase the Bellefonte site,  12 were you involved in meeting with anyone at the  13 Nuclear Regulatory Commission?  14 A I've met with the people, the Nuclear  15 Regulatory on this -- on Bellefonte. I don't really  16 know, whenever.  17 Q Meaning you don't know the time period?  18 A No.  19 Q Well, what was -- how many meetings have you  20 had with officials at the NRC?  21 A I've had at least two or three, but most of  22 that is handled by Mr. Blust and the lawyers and Bill.  23 I don't handle that kind of stuff.  24 Q Well, for the meetings that you attended,  25 what was the purpose of those meetings?</p>
<p style="text-align: right;">Page 47</p> <p>1 Q And have you ever -- have any of your  2 meetings included the Secretary of Energy?  3 A Not mine.  4 Q Do you know if anyone with Nuclear  5 Development has met with the Secretary of Energy?  6 A They could have, yeah. They could have.  7 Q Who do you remember meeting with at the  8 Department of Energy?  9 A The staff people.  10 Q Do you remember any specific names?  11 A Not this minute.  12 Q And other than what you've told me, do you  13 remember any of the specifics of those conversations?  14 A Well, I mean not specifics, just you know,  15 get your stuff in. You've got to get control of the  16 plant. You know, those things.  17 Q So people at the Department of Energy said  18 you had to get control of the plant to get the money?  19 A Well, you would have to or they wouldn't  20 make the loan.  21 Q Okay, and has the Department of Energy ever  22 committed to Nuclear Development that it would make  23 the loan?  24 A No, but I should say this, though. That we  25 have -- they have different stages. So we went</p>	<p style="text-align: right;">Page 49</p> <p>1 A To make sure that if we got Bellefonte, they  2 would work on the project and consider us to get --  3 you know, to transfer the license.  4 Q And with whom were you meeting at the NRC?  5 A I don't know.  6 Q And what did they say to you with regard to  7 the transfer of the license?  8 A Well, they said they'd work on it if we got  9 it.  10 Q What do you mean, "if you got it"?  11 A Well, you've got to get the project.  12 Q All right. So did you understand that to be  13 you had to have the contract with TVA for purchase of  14 it in order for them to consider the transfer?  15 MR. O'REAR: Objection, leading.  16 MR. LEMBKE: He is an adverse witness.  17 MR. O'REAR: Yeah. Objection, misleading.  18 A I don't know, to be honest.  19 Q Anything else you remember being discussed  20 in your meeting with -- the meetings that you've  21 attended with the Nuclear Regulatory Commission?  22 A No, because it's not my job, except they  23 want to know who you are.  24 Q Have you ever had meetings with anyone at  25 the IRS about the Bellefonte project?</p>



<p style="text-align: right;">Page 50</p> <p>1 A I don't think I have, but our staff has.</p> <p>2 Q Okay. Have you ever had meetings with</p> <p>3 anyone at any other governmental agencies about the</p> <p>4 Bellefonte project?</p> <p>5 A I'm sure I have, but -- you know, nobody</p> <p>6 listened to me when I talked to them.</p> <p>7 Q It also says that Nuclear Development had</p> <p>8 had meetings with customers and suppliers of TVA about</p> <p>9 the feasibility and financing of the Bellefonte</p> <p>10 project.</p> <p>11 What customers and suppliers -- well, first</p> <p>12 let's do customers. What customers of TVA have you</p> <p>13 met with about Bellefonte?</p> <p>14 A Well, Mr. Johnson told me that you can meet</p> <p>15 with distributors, you know, that kind of competition.</p> <p>16 So of course I met with different distributors like</p> <p>17 Chattanooga or --</p> <p>18 Q What other --</p> <p>19 A Of course Memphis, which has got him all</p> <p>20 upset.</p> <p>21 Q So you met -- you personally met with</p> <p>22 officials in Memphis?</p> <p>23 A Yes.</p> <p>24 Q And you personally met with officials in</p> <p>25 Chattanooga?</p>	<p style="text-align: right;">Page 52</p> <p>1 Q Anyone else other than the power board that</p> <p>2 you met with in Chattanooga?</p> <p>3 A Well, it's home. I don't know who all I met</p> <p>4 with. I mean, you know, I'm sure I talked to the</p> <p>5 mayor. I don't --</p> <p>6 Q What do you remember discussing with people</p> <p>7 in Chattanooga about the Bellefonte project?</p> <p>8 A The jobs that it would create, because most</p> <p>9 of the people that work at Bellefonte live in</p> <p>10 Chattanooga there.</p> <p>11 Q Anything else you remember discussing with</p> <p>12 officials in Chattanooga about the Bellefonte project?</p> <p>13 A Well, we discussed that we would have very</p> <p>14 competitive prices because of the tax credits and how</p> <p>15 much money had already been spent by TVA. I mean --</p> <p>16 Q All right. Anything else you remember</p> <p>17 discussing with anyone?</p> <p>18 A I did, but it's been a while, so I don't</p> <p>19 remember just exact things.</p> <p>20 Q Any other general topics you remember</p> <p>21 discussing with the people in Chattanooga about the</p> <p>22 Bellefonte project?</p> <p>23 A Not really. I mean, just -- you know, if we</p> <p>24 get it, we build it, we hope you consider buying some</p> <p>25 power. I mean, that's about all you want from them.</p>
<p style="text-align: right;">Page 51</p> <p>1 A Yeah, made no bones, because he said I had</p> <p>2 the right to do that.</p> <p>3 Q And have you met with officials in any</p> <p>4 other -- as you call it, of any other distributors who</p> <p>5 purchase power from TVA?</p> <p>6 A I met with the Seven States, which is the</p> <p>7 organization, because they invited me. I know I met</p> <p>8 with somebody else, but I can't remember the name of</p> <p>9 it.</p> <p>10 Q Okay. Any other customers who purchased</p> <p>11 power from TVA that you met with other than</p> <p>12 Chattanooga, Memphis, and the Seven States</p> <p>13 organization?</p> <p>14 A I can't remember any, but I probably have.</p> <p>15 Q Now, you mentioned first Chattanooga. When</p> <p>16 do you first -- how many meetings have you had with</p> <p>17 officials at Chattanooga?</p> <p>18 A Two or three. I mean, that's my home place.</p> <p>19 I mean, I know everybody there.</p> <p>20 Q Who did you meet with in Chattanooga?</p> <p>21 A I met with the board.</p> <p>22 Q Which board?</p> <p>23 A The power board.</p> <p>24 Q All right.</p> <p>25 A It was no secret to Mr. Johnson.</p>	<p style="text-align: right;">Page 53</p> <p>1 Q And what was Chattanooga's response? Did</p> <p>2 they commit to buy power from Bellefonte?</p> <p>3 A They didn't commit, but they said they</p> <p>4 wanted to be a party and keep them informed.</p> <p>5 Q Now, you said you also met -- have met at</p> <p>6 least once with people in Memphis about the Bellefonte</p> <p>7 project?</p> <p>8 A Oh, yes.</p> <p>9 Q How many meetings would you estimate you've</p> <p>10 attended with Memphis people about Bellefonte?</p> <p>11 A Well, Memphis is a different story because</p> <p>12 Memphis, you know, in 2015 put out a brochure that --</p> <p>13 I don't know where it is, but -- that they were</p> <p>14 considering leaving TVA because they could buy power</p> <p>15 cheaper across the river there in MISO.</p> <p>16 So Memphis contacted me, but back when we</p> <p>17 got the project. So I've had hundreds of meetings</p> <p>18 with people in Memphis -- not hundreds. I've had many</p> <p>19 meetings with people in Memphis.</p> <p>20 Q All right.</p> <p>21 A Because they've asked for it. I didn't ask</p> <p>22 for the meeting.</p> <p>23 Q Okay.</p> <p>24 A And Mr. Johnson was familiar with it.</p> <p>25 Q Who in Memphis contacted you initially?</p>



<p style="text-align: right;">Page 54</p> <p>1 A I don't know whether it was the Congressmen 2 or somebody, but -- of course it was pretty common 3 knowledge, though, that Memphis was unhappy with TVA. 4 It was in the papers all the time. 5 Q But you don't remember who contacted you? 6 A No, I don't. 7 Q Who do you remember meeting? Have you met 8 with the Mayor? 9 A Yes. 10 Q On how many occasions would you estimate? 11 A Not many, but four, five. 12 Q Have you met with the City Council in 13 Memphis? 14 A I have not. 15 Q Have you met with individual members of the 16 City Council in Memphis? 17 A I don't think so, but I might have met with 18 one or two of them, just meeting them. 19 Q Okay. 20 A That's just not my job. 21 Q Who else do you recall meeting with in 22 Memphis? 23 A The Congressman. 24 Q Which Congressman? 25 A Cohen.</p>	<p style="text-align: right;">Page 56</p> <p>1 don't want to be -- because they're going to leave 2 TVA. 3 Q Have they told you that? 4 A Well, you read the papers, that's what the 5 papers say. 6 Q Well, my question, sir, was have they told 7 you that? 8 A No. 9 Q When was the last time you met with anyone 10 associated with Memphis? 11 A It's been a few months. 12 Q And what was discussed -- who was that with? 13 A I can't remember exactly. 14 Q Do you remember anyone who was at the 15 meeting other than yourself? 16 A Well, it could have been -- no, I don't. 17 Q And what do you recall being discussed at 18 that last meeting you attended? 19 A I would think we'd have been talking about 20 the election that was coming up. 21 Q Which election? 22 A They had a city election in Memphis. 23 Q What did that have to do with Nuclear 24 Development? 25 A The City Council decides whether they stay</p>
<p style="text-align: right;">Page 55</p> <p>1 Q What did you discuss with Congressmen Cohen? 2 A He's one of my best friends, so I have no 3 secrets from Congressmen Cohen. 4 Q Well, my question was, what did you discuss 5 with him? 6 A We discussed about getting Bellefonte and 7 what did he -- anyone who can help, because again, the 8 jobs it would create. 9 Q But you weren't suggesting there would be 10 jobs for people in Memphis, right? 11 A Well, they were talking about that there 12 could be some jobs for Memphis because of the training 13 that you have to do to -- maybe like some of the 14 training programs that train the people to operate the 15 nuclear plants could occur in Memphis, so -- 16 But their main reason was they were just 17 very unhappy with TVA, which is no secret. 18 Q And did Congressman Cohen indicate that he 19 supported Memphis leaving TVA? 20 A He said so in the paper many, many times. 21 Q And other than the Mayor and Congressman 22 Cohen, who else do you recall personally meeting with 23 who's associated with Memphis? 24 A Well, I met with the county executive. I 25 met with a lot of people in Memphis. I mean, I just</p>	<p style="text-align: right;">Page 57</p> <p>1 with TVA or not. 2 Q And has Nuclear Development been making 3 political contributions to City Council members in 4 Memphis? 5 A They made some contributions, yeah. 6 Q Have you personally been making political 7 contributions to City Councilmen in Memphis? 8 A I have some that I know of. 9 (Discussion off the record.) 10 MR. LEMBKE: Sure, let's take a short break. 11 THE VIDEOGRAPHER: Going off the record. 12 The time is 10:06. 13 (Whereupon a recess was taken from 14 10:06 a.m. to 10:19 a.m.) 15 THE VIDEOGRAPHER: Back on the record. The 16 time is 10:19 a.m. 17 BY MR. LEMBKE: 18 Q Mr. Haney, who were the Memphis City Council 19 members to whom you made political contributions? 20 A I don't know the names. 21 Q Well, you said a minute ago they were 22 friends of yours. You don't recall who they are? 23 A No, I don't. I mean, I don't. 24 Q Not even one? 25 A Not even one.</p>

<p style="text-align: right;">Page 58</p> <p>1 Q What about the Mayor, have you made 2 political contributions to the Mayor? 3 A I did not. 4 Q What about, do you know the identity of the 5 Memphis City Council persons to whom Nuclear 6 Development made political contributions? 7 A I do not. 8 Q Well, who on the Memphis City Council are 9 your friends? 10 A Well, I've never been to a Memphis City 11 Council meeting, so I just don't know the people. 12 That's just not my job. 13 Q Well, did I misunderstand your testimony? I 14 thought a few minutes ago you said that you made 15 contributions to some people on the City Council who 16 are your friends? 17 MR. O'REAR: I don't recall that. The 18 record speaks for itself. 19 A I don't know. All I'm saying is that I'm 20 sure we made some contributions, small ones, to the 21 City Council members. 22 MR. LEMBKE: Would you go right up before -- 23 THE COURT REPORTER: Sure, give me a moment. 24 THE WITNESS: But I don't know one City 25 Council member from another.</p>	<p style="text-align: right;">Page 60</p> <p>1 services or equipment. 2 A I've never met with anybody like that. 3 Q Okay. Now let me show you what has been 4 previously marked as Exhibit 43 in this case, 5 Mr. Haney. 6 A Thank you. 7 Q I'll represent to you the first page of this 8 is a transmittal email by which Nuclear Development 9 sent its Indicative Bid to TVA's consultant, 10 Concentric Advisors, on September 9, 2016 and the 11 remaining pages of this exhibit are the Indicative 12 Bid, and I would note on the first page it shows you 13 as having received a copy of this transmittal. 14 Do you see that? 15 A Yeah. 16 Q Do you remember the Indicative Bid? 17 A No. 18 Q Did you review it before it was sent? 19 A I doubt it, because I don't remember. This 20 is not my letter, so -- 21 Q Okay. Is Nuclear Development LLC a special 22 purpose entity that was formed to acquire, finance, 23 complete, and operate the two partially completed 24 nuclear plants at the Bellefonte nuclear station? 25 A Again, I hate to say, but I don't know</p>
<p style="text-align: right;">Page 59</p> <p>1 (The portion requested was read back by the 2 reporter as above recorded.) 3 MR. O'REAR: Were we correct, that he did 4 not say that? 5 MR. LEMBKE: He did not say that in 6 connection with the Memphis City Council. 7 MR. O'REAR: Okay, thank you. 8 BY MR. LEMBKE: 9 Q How did you decide to whom you would make 10 personal contributions in the Memphis City Council 11 election? 12 A I'm sure I listened to Bill. 13 Q McCollum? 14 A Because he's done that. 15 Q McCollum? 16 A Yes. I haven't been there in months. 17 Q Now, back on Exhibit 42, this also said that 18 Nuclear Development had met with suppliers of TVA 19 prior to the time that Nuclear Development entered 20 into the contract with TVA for the purchase of 21 Bellefonte. 22 Were you involved in meetings with any 23 suppliers of TVA that are being referenced? 24 A You're talking about buyers of power? 25 Q No, sir. I'm talking about suppliers of</p>	<p style="text-align: right;">Page 61</p> <p>1 because -- 2 Q You don't know. 3 Do you know what conditions Nuclear 4 Development was asking TVA to include in the contract, 5 conditions for closing that Nuclear Development wanted 6 TVA to include in the contract for the purchase of 7 Bellefonte? 8 A No, I do not. 9 Q Let me show you what's been previously 10 marked as Exhibit 45 in this case. 11 A Thank you. 12 Q At the bottom of the first page is the 13 beginning of an email from Mr. Blust to Ms. O'Neill 14 dated October 2nd, 2016, that you're copied on. 15 Do you see that? 16 A Yes. 17 Q I want to refer to that email and my 18 question is, did you read this email when it came in? 19 A I don't think so. 20 Q You don't -- 21 A I don't remember. 22 Q Okay. Do you remember discussing with 23 anyone at Nuclear Development what conditions Nuclear 24 Development wanted TVA to include prior to closing for 25 the Bellefonte site?</p>

<p style="text-align: right;">Page 62</p> <p>1 MR. O'REAR: Objection, asked and answered,  2 I believe. Go ahead.  3 A No, I don't.  4 Q Okay. Let me show you what's been  5 previously marked as Exhibit 89 in this case.  6 Now, on page one, this is an email again  7 from Mr. Blust to Ms. O'Neill dated October 18th,  8 2016, on which you're copied.  9 Do you see that?  10 A Yes.  11 Q And you don't have any reason to doubt that  12 you received in your email inbox these emails that  13 you're copied on, correct?  14 A Yeah, but I don't remember this. I've never  15 seen it.  16 Q And do you remember -- attached to this  17 email is a letter from Mr. Blust to Ms. O'Neill of the  18 same date. Do you remember reading this letter?  19 A I do not.  20 Q Okay. Is it your practice to read all the  21 emails that you receive?  22 A It's not, particularly if it's from Larry,  23 because he's been with us 40 years.  24 Q All right. Let me show you what I'm going  25 to mark as Exhibit 119.</p>	<p style="text-align: right;">Page 64</p> <p>1 Q And attached to the Letter of Intent to Bid  2 is the Indicative Bid --  3 A Is this confidential?  4 Q -- which begins at page three.  5 At the top it says -- page two it says  6 "Confidential Letter of Intent to Bid", and page three  7 says "Confidential Indicative Bid."  8 Do you see that?  9 A Yeah, Indicative Bid, yeah.  10 Q And the Letter of Intent to Bid that you  11 signed referenced the Indicative Bid. And in  12 paragraph two of the Letter of Intent to Bid on page  13 two, which is the one you signed, you see numbered  14 paragraph two that says "Bidder and Ownership  15 Structure"?  16 A On page what?  17 Q On the second page, which is the page you  18 signed, item two says "Bidder and Ownership  19 Structure."  20 A Right.  21 Q Okay. And you see where it says: "See  22 section two in ND's Indicative Bid emailed to you on  23 September 9, 2016, a copy of which is attached hereto  24 and incorporated by reference"?  25 Do you see that?</p>
<p style="text-align: right;">Page 63</p> <p>1 (Whereupon a document/item was marked for  2 identification as Defendant's Exhibit 119.)  3 MR. O'REAR: Just for housekeeping, the last  4 Marie Gillman deposition was 118.  5 MR. LEMBKE: That's my understanding.  6 BY MR. LEMBKE:  7 Q Now, Mr. Haney, the first page of this is an  8 email from Larry Blust again to Ms. O'Neill dated  9 November 3rd, 2016, and you're copied on it. Do you  10 see that?  11 A Yes.  12 Q Now, I want to direct your attention -- and  13 it's transmitting a Letter of Intent to Bid, which is  14 on page two. Do you see that?  15 A Yes.  16 Q And you signed that, correct?  17 A Yes.  18 Q All right. And attached to the Letter of  19 Intent to Bid -- well, first of all, let me ask, did  20 you read the Letter of Intent to Bid before you signed  21 it?  22 A I don't remember, but I could have.  23 Q Will you sometimes sign documents without  24 reading them?  25 A I do.</p>	<p style="text-align: right;">Page 65</p> <p>1 A Yes.  2 Q And so that indicates the Indicative Bid was  3 being attached and incorporated by reference in the  4 Letter of Intent to Bid, right?  5 A I guess.  6 Q And I guess my question is, does that  7 refresh your recollection that you read the Indicative  8 Bid before you signed this Letter of Intent to Bid?  9 A I don't remember doing it, because I decided  10 what I was going to bid when I got there.  11 Q So it's your best recollection that you did  12 not read the Indicative Bid at any time?  13 A I don't remember doing it.  14 Q All right. Mr. Haney, now let me show you  15 what's been previously marked as Exhibit 1 in this  16 case, and this is a copy of the Purchase and Sales  17 Agreement entered into between Nuclear Development and  18 TVA pertaining to Bellefonte, correct?  19 A Yes, that's what it says.  20 Q And if you look at page 22 of this  21 document -- and the numbers are down at the bottom of  22 each page.  23 A Page 22.  24 Q That's your signature, signing as the sole  25 member and manager of Nuclear Development LLC,</p>

<p style="text-align: right;">Page 66</p> <p>1 correct?</p> <p>2 A Yep.</p> <p>3 Q Now, did you read this contract before you</p> <p>4 signed it?</p> <p>5 A No.</p> <p>6 Q So you cannot say that in signing it on</p> <p>7 behalf of Nuclear Development, you cannot say that you</p> <p>8 understood everything in it, correct?</p> <p>9 A Well, I'm sure I discussed it with Larry,</p> <p>10 but I wouldn't take the time to read all this.</p> <p>11 Q Okay. Now, do you have a recollection of</p> <p>12 discussing it with Larry before you signed it?</p> <p>13 A I know I would.</p> <p>14 Q But do you have a specific recollection of</p> <p>15 doing so?</p> <p>16 A No.</p> <p>17 Q And would you have discussed every single</p> <p>18 provision in it with Larry before you signed it?</p> <p>19 A No.</p> <p>20 MR. O'REAR: Objection, no foundation. He</p> <p>21 said he didn't recall what he discussed with him.</p> <p>22 MR. BLUST: Privilege.</p> <p>23 MR. O'REAR: Well, he hasn't asked him what</p> <p>24 yet.</p> <p>25</p>	<p style="text-align: right;">Page 68</p> <p>1 MR. LEMBKE: But we're going to ask the</p> <p>2 question.</p> <p>3 BY MR. LEMBKE:</p> <p>4 Q Because you understood at all times that</p> <p>5 because you signed it, Nuclear Development was bound</p> <p>6 to its terms, correct?</p> <p>7 A Yes, if Larry told me to sign it.</p> <p>8 Q Now, if you look at -- well, first on page</p> <p>9 one, this is on the very first paragraph, it says it</p> <p>10 is entered into as of the 14th day of November, 2016.</p> <p>11 You see that?</p> <p>12 A Yes.</p> <p>13 Q Then on page five it says: "The closing of</p> <p>14 the transaction contemplated by" -- I'm sorry, I'll</p> <p>15 let you get there.</p> <p>16 A I'm sorry.</p> <p>17 Q No problem. I'm at paragraph 5A, which is</p> <p>18 the last paragraph at the bottom of page five.</p> <p>19 A I see it.</p> <p>20 Q All right. And the first clause of that</p> <p>21 paragraph says: "The closing of the transaction</p> <p>22 contemplated by and under this agreement (the closing)</p> <p>23 shall occur on November 14, 2018".</p> <p>24 Do you see that?</p> <p>25 A Yes.</p>
<p style="text-align: right;">Page 67</p> <p>1 BY MR. LEMBKE:</p> <p>2 Q You understood in signing this, your</p> <p>3 signature was binding Nuclear Development to the terms</p> <p>4 of this deal, correct?</p> <p>5 A If Larry said to sign it, I used to sign it.</p> <p>6 Q That wasn't my question. My question was,</p> <p>7 you understood as a lawyer --</p> <p>8 A Oh, yeah.</p> <p>9 Q -- that by signing it for Nuclear</p> <p>10 Development, you were binding Nuclear Development to</p> <p>11 its terms, correct?</p> <p>12 A Correct.</p> <p>13 Q Have you ever read this contract?</p> <p>14 A No.</p> <p>15 Q Now, let me get you to turn to page 5A --</p> <p>16 excuse me, page five of the agreement --</p> <p>17 MR. O'REAR: Well, we're going to object to</p> <p>18 questions directed to the language of the</p> <p>19 agreement, based on lack of foundation.</p> <p>20 BY MR. LEMBKE:</p> <p>21 Q Do you see page five?</p> <p>22 A Uh-huh. Yes, I'm sorry.</p> <p>23 MR. LEMBKE: And the lack of foundation is</p> <p>24 even though he signed it, he didn't read it?</p> <p>25 MR. O'REAR: Right.</p>	<p style="text-align: right;">Page 69</p> <p>1 Q So that's two years from the date -- the</p> <p>2 effective date of the contract, correct?</p> <p>3 A Correct.</p> <p>4 Q Why was there a two-year closing period?</p> <p>5 A I don't know. I guess they thought it would</p> <p>6 take them that long to put it all together.</p> <p>7 Q Now, you're aware that that date was later</p> <p>8 extended to November 30th, 2018, correct?</p> <p>9 A Correct.</p> <p>10 Q In fact, I'm going to show you what's been</p> <p>11 previously marked as Exhibit 18 and if you look at the</p> <p>12 third page of Exhibit 18, it is the first amendment to</p> <p>13 the Bellefonte Purchase and Sales Agreement, correct?</p> <p>14 A Correct.</p> <p>15 Q And on the last page of the exhibit you</p> <p>16 signed it, right?</p> <p>17 A Yes.</p> <p>18 Q Okay. And did you read this one before you</p> <p>19 signed it?</p> <p>20 A I don't remember.</p> <p>21 Q Okay. And did you understand that the</p> <p>22 purpose of this amendment was to extend the closing</p> <p>23 date from November 14th, 2016 -- 2018 -- to</p> <p>24 November 30th, 2018, right?</p> <p>25 A Right.</p>

<p style="text-align: right;">Page 70</p> <p>1 Q And this is the only amendment that was ever 2 executed pertaining to the Purchase and Sales 3 Agreement, correct? 4 A I guess, yes. 5 Q Now, going back to Exhibit 1, which is 6 the -- 7 A The biggy. 8 Q -- the biggy, I'd like to direct you to 9 paragraph six, page six, section six. 10 A Okay. 11 Q In section -- section six is entitled 12 "Conditions To Closing." Do you see that? 13 A Yes, sir. 14 Q And A says: "The obligations of TVA and 15 buyer to consummate the transactions contemplated by 16 this agreement shall be subject to the fulfillment at 17 or before the closing of each of the following 18 conditions." 19 Do you see that? 20 A Yes. 21 Q Then if you look at the very bottom of the 22 page, subsection five, do you see where it says: 23 "There shall not be in effect at the closing 24 any law, statute, rule, regulation, permit, 25 certificate, or binding order, decree or decision of</p>	<p style="text-align: right;">Page 72</p> <p>1 A Yes, right. 2 Q Do you personally know if there is any law, 3 statute, rule, regulation, permit, certificate, or 4 binding order, decree or decision of any governmental 5 authority that would have prohibited or made illegal 6 the consummation of the transactions under the 7 agreement? 8 A I do not know. 9 Q Okay. And you understand that if there were 10 such a law, statute, rule, regulation, permit, 11 certificate, or binding order, decree or decision of 12 any governmental authority that prohibited or made 13 illegal the consummation of the transactions, that 14 that meant the closing could not go forward, right? 15 MR. O'REAR: Objection, calls for a legal 16 conclusion and also lacks foundation. 17 A I don't know. 18 Q Well, you understand from your training as a 19 lawyer and your years in business what a closing 20 condition is, right? 21 A Yes. 22 Q And you understand from your years of 23 training as a lawyer and your experience in business 24 that if a closing condition is not satisfied, a 25 closing does not occur, correct?</p>
<p style="text-align: right;">Page 71</p> <p>1 any governmental authority (as defined in Section 2 9(a)(ii) below) restraining, enjoining, or otherwise 3 prohibiting or making illegal the consummation of the 4 transactions contemplated by this agreement." 5 Do you see that? 6 A Yes. 7 Q Now, when you signed this agreement, did you 8 understand what that meant? 9 MR. O'REAR: Objection, lacks foundation, 10 and also the document speaks for itself. 11 BY MR. LEMBKE: 12 Q You can answer. 13 A I guess. I don't know. 14 Q You don't know whether you understood it 15 when you signed it? 16 A I didn't read it. 17 Q Okay, but you accept that Nuclear 18 Development was bound to follow it? 19 A I assumed that Larry and him looked at it as 20 usual. 21 Q That wasn't my question. My question was, 22 you understood that by signing it -- 23 A Oh, yes, of course. 24 Q -- Nuclear Development would be bound to the 25 provision, whether you read it or not, right?</p>	<p style="text-align: right;">Page 73</p> <p>1 MR. O'REAR: Objection, calls for a legal 2 conclusion, irrelevant to the facts of this case. 3 MR. LEMBKE: That's not an objection to 4 form. It's improper. 5 You can answer. 6 MR. O'REAR: It's not based on any -- the 7 question is not -- the predicate of the question 8 is not based on any facts in this case. 9 BY MR. LEMBKE: 10 Q You can answer. Do you need me to repeat 11 the question? 12 MR. O'REAR: Which is a hypothetical 13 question. 14 THE WITNESS: Am I supposed to answer? I 15 just don't know. 16 MR. LEMBKE: Okay, we need to go off the 17 record to change the tape. 18 THE VIDEOGRAPHER: Here ends media number 19 one. Going off the record. The time is 20 10:41 a.m. 21 (Discussion off the record.) 22 THE VIDEOGRAPHER: Back on the record. Here 23 begins media number two. The time is 10:42 a.m. 24 BY MR. LEMBKE: 25 Q Mr. Haney, let me direct your attention to</p>



<p style="text-align: right;">Page 74</p> <p>1 page eight of the Purchase and Sales Agreement that is</p> <p>2 Exhibit 1.</p> <p>3 A Page eight?</p> <p>4 Q Yes, sir. And at the very bottom, do you</p> <p>5 see the section entitled "Buyer's Representations and</p> <p>6 Warranties?" Do you see that?</p> <p>7 A Yes.</p> <p>8 Q And then A says: "To induce TVA to enter</p> <p>9 into this agreement, buyer represents and warrants to</p> <p>10 TVA as follows". You see that?</p> <p>11 A Yes.</p> <p>12 Q So you understood these were representations</p> <p>13 and warranties being made by Nuclear Development,</p> <p>14 right?</p> <p>15 A I didn't read it, but yes.</p> <p>16 Q Well, you understand that's what a buyer's</p> <p>17 representation warranty is in an agreement, right?</p> <p>18 A I think so, yes.</p> <p>19 Q Now I want to direct your -- if you'll flip</p> <p>20 the page over to page nine, do you see about</p> <p>21 two-thirds of the way down the page, representation</p> <p>22 number six, which is the little Roman numeral (vi)?</p> <p>23 It's the second to last one.</p> <p>24 A Right.</p> <p>25 Q And it says: "No authorization, consent or</p>	<p style="text-align: right;">Page 76</p> <p>1 TVA has not made any representation or warranty,</p> <p>2 express or implied, as to the accuracy or completeness</p> <p>3 of any information regarding the site not otherwise</p> <p>4 expressly included in this agreement. Buyer further</p> <p>5 acknowledges that" -- do you see that?</p> <p>6 A Yes.</p> <p>7 Q And then under Subsection One under "What</p> <p>8 Buyer Further Acknowledges," it says:</p> <p>9 "Buyer, either alone or together with its</p> <p>10 representatives and agents, has knowledge and</p> <p>11 experience in transactions of this type and is</p> <p>12 therefore capable of evaluating the risk and merits of</p> <p>13 acquiring the site."</p> <p>14 Do you see that?</p> <p>15 A Yes.</p> <p>16 Q Was that a true statement when made?</p> <p>17 A Yes, I think so.</p> <p>18 Q And what's the basis for your understanding</p> <p>19 of why that was true?</p> <p>20 A Because I trust Bill and Larry and these</p> <p>21 people to do this work.</p> <p>22 Q Okay. And you didn't -- did you have any</p> <p>23 knowledge or experience in a transaction to purchase a</p> <p>24 nuclear plant personally before this?</p> <p>25 A Only trying to purchase those other plants.</p>
<p style="text-align: right;">Page 75</p> <p>1 approval or other order or action of or filing with</p> <p>2 any governmental authority is required for the</p> <p>3 execution and delivery by the buyer of this agreement</p> <p>4 or the consummation by the buyer of the transactions</p> <p>5 contemplated hereby."</p> <p>6 Do you see that?</p> <p>7 A Yes.</p> <p>8 Q Now, did you do any research to determine</p> <p>9 whether that representation that Nuclear Development</p> <p>10 was making was accurate?</p> <p>11 A No.</p> <p>12 Q Do you know if anyone at Nuclear Development</p> <p>13 did any research?</p> <p>14 A I'm sure Mr. Blust did.</p> <p>15 Q Do you know that, though?</p> <p>16 A He always does.</p> <p>17 Q Do you know it here?</p> <p>18 A I don't.</p> <p>19 Q Now let me get you to change your -- or move</p> <p>20 over to page 14 of Exhibit 1.</p> <p>21 Okay, do you see Section 15 entitled "TVA</p> <p>22 Disclaimers and Buyer Acknowledgments"?</p> <p>23 A Yes.</p> <p>24 Q And then if you look down to Subsection C</p> <p>25 under 15, it says: "Buyer hereby acknowledges that</p>	<p style="text-align: right;">Page 77</p> <p>1 Q But none of those ever reached the stage of</p> <p>2 a purchase and sales agreement, correct?</p> <p>3 A Correct.</p> <p>4 Q And then under the second acknowledgment</p> <p>5 that Nuclear Development was making, it says:</p> <p>6 "Buyer has relied on its own independent</p> <p>7 investigation and has not relied on any information or</p> <p>8 representations furnished by TVA or any of its</p> <p>9 representatives or agents, except as specifically set</p> <p>10 forth in this agreement, in determining to enter into</p> <p>11 this agreement."</p> <p>12 Do you see that?</p> <p>13 A Yes.</p> <p>14 Q And was that true when you signed the</p> <p>15 agreement?</p> <p>16 A Same statement I've said before. I never --</p> <p>17 I didn't read it, so --</p> <p>18 Q So you didn't know whether what you were</p> <p>19 signing was true or false?</p> <p>20 A No, I really didn't. I just trust the</p> <p>21 people that work for me.</p> <p>22 Q Okay. Now, let me turn -- get you to turn</p> <p>23 to page 20 of Exhibit 1 and do you see on page 20,</p> <p>24 Section 35 entitled "Specific Performance, Limitation</p> <p>25 on Damages"?</p>



<p style="text-align: right;">Page 78</p> <p>1 A Yes.</p> <p>2 Q And then I want you to look down to the very</p> <p>3 last four lines of that section and do you see the</p> <p>4 sentence that begins: "In no event shall either</p> <p>5 party"?</p> <p>6 A Right.</p> <p>7 Q "In no event shall either party be liable</p> <p>8 for any indirect, incidental, consequential, special,</p> <p>9 punitive or exemplary damages as a result of default,</p> <p>10 violation or breach of any covenant, representation or</p> <p>11 warranty contained in this agreement."</p> <p>12 Do you see that?</p> <p>13 A Yes.</p> <p>14 Q And you intended Nuclear Development to be</p> <p>15 bound to that provision, correct, when you signed the</p> <p>16 document?</p> <p>17 A Well, I didn't know it was in there, but I</p> <p>18 of course took their word for it.</p> <p>19 Q Well, you understood when you signed it that</p> <p>20 if that -- if this sentence was in there, it would</p> <p>21 bind Nuclear Development by you signing it, right?</p> <p>22 A Well, I signed it. I guess it does.</p> <p>23 Q Okay. You understand, whether you read the</p> <p>24 document or not, if you sign a contract on behalf of</p> <p>25 Nuclear Development, you're binding Nuclear</p>	<p style="text-align: right;">Page 80</p> <p>1 Do you see that?</p> <p>2 A Yes.</p> <p>3 Q And you understand that by signing it,</p> <p>4 Nuclear Development is bound to that provision,</p> <p>5 correct?</p> <p>6 A If that's what it says, that's probably</p> <p>7 true, I guess.</p> <p>8 Q And other than the amendment to extend the</p> <p>9 closing date till November 30th, you're not -- of</p> <p>10 2018 -- you're not aware of any other written</p> <p>11 amendment that was signed by Nuclear Development,</p> <p>12 correct?</p> <p>13 A There could have been something else. I</p> <p>14 mean, I just don't know.</p> <p>15 Q But to your personal knowledge, you're</p> <p>16 unaware of any other written amendment?</p> <p>17 A As far as -- I mean, I don't know. I can't</p> <p>18 keep up with it.</p> <p>19 Q All right. Mr. Haney, would you explain to</p> <p>20 me what efforts Nuclear Development has undertaken to</p> <p>21 obtain financing for the Bellefonte project?</p> <p>22 A Well, we've done a few things. We tried to</p> <p>23 get DOE, because that's practically the only place you</p> <p>24 can get money for nuclear development, a nuclear</p> <p>25 project. We've also tried to work with foreign</p>
<p style="text-align: right;">Page 79</p> <p>1 Development to the contract, correct?</p> <p>2 MR. O'REAR: Objection, asked and answered</p> <p>3 twice.</p> <p>4 BY MR. LEMBKE:</p> <p>5 Q You can answer.</p> <p>6 MR. O'REAR: Go ahead.</p> <p>7 A Yeah, I mean, we have a small company that</p> <p>8 does big deals. I don't have time to read all these</p> <p>9 documents.</p> <p>10 Q But that wasn't my question. My question</p> <p>11 was, you understand when you sign a document --</p> <p>12 A I trust them, yes.</p> <p>13 Q -- whether you read it or not, you know that</p> <p>14 your signature binds Nuclear Development?</p> <p>15 A Yes.</p> <p>16 Q Thank you. Now let me get you to look at</p> <p>17 page 18 of Exhibit 1.</p> <p>18 A Okay.</p> <p>19 Q And do you see at the bottom of the page,</p> <p>20 Section 26, "Amendment"?</p> <p>21 A Yes.</p> <p>22 Q And that section reads: "This agreement and</p> <p>23 any of the transaction documents may be amended,</p> <p>24 supplemented or modified only by a written instrument</p> <p>25 duly executed by or on behalf of each party hereto."</p>	<p style="text-align: right;">Page 81</p> <p>1 entities such as the Qataris, because they came and</p> <p>2 wanted to put \$40 million in the U.S. for projects,</p> <p>3 which we read about in the paper. We met with them.</p> <p>4 Q \$40 million or \$40 billion?</p> <p>5 A \$40 billion. That's about it.</p> <p>6 Q With regard to your meeting with the</p> <p>7 Qataris, when do you recall that occurring?</p> <p>8 A I can't remember when it was. It was a year</p> <p>9 ago or something.</p> <p>10 Q All right.</p> <p>11 A It's in the papers, you know.</p> <p>12 Q And did you attend that meeting?</p> <p>13 A I did.</p> <p>14 Q And with whom did you meet?</p> <p>15 A I met the head of the banking in the United</p> <p>16 States, the top president of their banking.</p> <p>17 Q And where did that meeting occur?</p> <p>18 A In Miami.</p> <p>19 Q And did the Qataris express interest in</p> <p>20 funding the project?</p> <p>21 A They had expressed interest, but they never</p> <p>22 did.</p> <p>23 Q And do you view that avenue of financing as</p> <p>24 dead?</p> <p>25 A Well, I never think anything as dead, but</p>

<p style="text-align: right;">Page 82</p> <p>1 probably.</p> <p>2 Q With regard to your efforts to obtain a DOE</p> <p>3 loan -- and that's what it is, right, a loan?</p> <p>4 A Yes.</p> <p>5 Q Did you or Nuclear Development hire any</p> <p>6 advisers to assist you?</p> <p>7 A Yes.</p> <p>8 Q Who do you recall hiring to assist you?</p> <p>9 A Let's see. Roy Beasley, who's a lobbyist,</p> <p>10 and Bud Cramer, who's a lobbyist, and that's about it.</p> <p>11 I mean --</p> <p>12 Q Who is Roy Beasley?</p> <p>13 A He's a lobbyist from Texas that does, you</p> <p>14 know, work -- you know, tries to get -- to work on</p> <p>15 loans for you, you know.</p> <p>16 But we know the people at DOE after all</p> <p>17 these years. I mean, Larry does and Bill does. So</p> <p>18 they're always -- if we get it, we're going to get it</p> <p>19 on our own, it looks to me like.</p> <p>20 Q Had you ever worked with Roy Beasley before</p> <p>21 this project?</p> <p>22 A No.</p> <p>23 Q Who found Roy Beasley?</p> <p>24 A I did.</p> <p>25 Q And why were you -- of all the lobbyists in</p>	<p style="text-align: right;">Page 84</p> <p>1 A Well, since nobody else is trying to get it,</p> <p>2 he thinks it's pretty high if we put it all together.</p> <p>3 Q What do you mean by "put it all together"?</p> <p>4 A Well, TVA sell us the project.</p> <p>5 Q Anything else?</p> <p>6 A That's the major one.</p> <p>7 Q Now, Bud Cramer has been involved from the</p> <p>8 beginning, right?</p> <p>9 A That's correct.</p> <p>10 Q And why Bud Cramer?</p> <p>11 A Well, I've known Bud for years as a</p> <p>12 Congressman and starting a child -- the children's</p> <p>13 group that he works with, my wife is involved in it.</p> <p>14 But he's from Alabama and he's a very honest guy, as</p> <p>15 far as I can tell.</p> <p>16 Q And he was a Democratic Congressman for the</p> <p>17 district in which Bellefonte is located, correct?</p> <p>18 A I think that's Huntsville. I don't know if</p> <p>19 that's -- he's in that.</p> <p>20 Q And how many meetings have you attended with</p> <p>21 Mr. Cramer?</p> <p>22 A Over the years, I mean a lot, you know.</p> <p>23 Q Has Mr. Cramer ever done any lobbying work</p> <p>24 for any of your companies other than Nuclear</p> <p>25 Development?</p>
<p style="text-align: right;">Page 83</p> <p>1 the world, why Roy Beasley?</p> <p>2 A Well, he came highly recommended, you know,</p> <p>3 that he gets jobs done.</p> <p>4 Q Who highly recommended him?</p> <p>5 A I don't think -- it really occurred because</p> <p>6 he was -- he's a big fundraiser for I think the</p> <p>7 President.</p> <p>8 Q Did he also -- did you also understand him</p> <p>9 to have a relationship with Rick Perry?</p> <p>10 A He could have, because he's no longer in</p> <p>11 there, so it wouldn't help me very much.</p> <p>12 Q Was Mr. Beasley brought on after President</p> <p>13 Trump took office?</p> <p>14 A Yes, we've had -- yeah.</p> <p>15 Q And is Mr. Beasley still engaged?</p> <p>16 A Yes.</p> <p>17 Q How often have you met with Mr. Beasley?</p> <p>18 A How often have I?</p> <p>19 Q Yes, sir.</p> <p>20 A Three or four times.</p> <p>21 Q And when was the last time you recall</p> <p>22 meeting with him?</p> <p>23 A It's been two or three months.</p> <p>24 Q And what is his view of the likelihood of</p> <p>25 getting the loan?</p>	<p style="text-align: right;">Page 85</p> <p>1 A Yeah, he has.</p> <p>2 Q Which ones?</p> <p>3 A On some of our -- at least one of our major</p> <p>4 office buildings.</p> <p>5 Q Is that the one in Birmingham?</p> <p>6 A No, the one in Washington.</p> <p>7 Q And what has his work been directed to with</p> <p>8 regard to that?</p> <p>9 A Just making sure the funds are available to</p> <p>10 pay the rent. I mean, you know.</p> <p>11 Q And is that work ongoing?</p> <p>12 A No, that's over with.</p> <p>13 Q When was that?</p> <p>14 A Oh, two, three years ago.</p> <p>15 Q And did he just have one monthly retainer</p> <p>16 that all of your companies paid him to do, whatever</p> <p>17 work he was going to do for your companies?</p> <p>18 A Yeah, he just has one retainer.</p> <p>19 Q And has your company in any way tried to</p> <p>20 allocate the amount of the retainer between Nuclear</p> <p>21 Development and the office building project he was</p> <p>22 working on?</p> <p>23 A I don't know.</p> <p>24 Q And when was the last time you spoke with</p> <p>25 Mr. Cramer?</p>

<p style="text-align: right;">Page 86</p> <p>1 A I haven't spoken to him in a while. A few 2 months. 3 Q And is his -- what would you describe is his 4 primary effort of his lobbying? 5 A His primary effort of his lobby is to keep 6 the funds available in the budget, because the 7 administration has taken them out every year for 8 nuclear and it's to keep the funds in there. That's 9 his primary purpose. 10 Q And those are the funds -- 11 A That would be available. 12 Q -- to fund the DOE loan program? 13 A Right. 14 Q And has both the Obama and the Trump 15 administration removed those funds in their budget 16 proposal every year? 17 A I don't know. 18 Q You know the Trump administration has? 19 A I know they have the last year or two. 20 Q Okay. Now, did Nuclear Development hire 21 Michael Cohen as an adviser in conjunction with the 22 Bellefonte project? 23 A We did for a week or two before he was 24 indicted and we fired him. 25 Q Okay, and --</p>	<p style="text-align: right;">Page 88</p> <p>1 crook. That's all I can say about him. 2 Q Did Nuclear Development pay him any money? 3 A We did the first month or so. 4 Q And was it paid to him personally or to a 5 law firm, do you know? 6 A I don't know. 7 Q How much did you pay him, do you know? 8 A I don't know the exact number. 9 Q And did you have personal discussions with 10 him about what he was going to do? 11 A Not really. I mean, he was supposed to, 12 like I said, set me up with people. We were looking 13 for an alternative to DOE, which is -- we specifically 14 forbid him to lobby DOE because he wasn't a lobbyist, 15 he was a lawyer. 16 Q Was there ever any discussion of him going 17 to Memphis to work on that part of the deal? 18 A No, no, no, no. 19 Q Have you had any discussions with President 20 Trump about the Bellefonte project? 21 A None. 22 Q None? 23 A None. 24 Q Did you ever tell anyone at TVA that you 25 had?</p>
<p style="text-align: right;">Page 87</p> <p>1 A But we did not hire him as a lobbyist, 2 though. 3 Q What was he hired as? 4 A He was hired just to see if he could help us 5 with -- you know, find people that were investors. 6 For example, like -- he didn't do it, but 7 like the Arabs. I mean, you know, he had all these 8 contacts, supposedly as the President's lawyer, but it 9 turned out he was just a liar. 10 Q And how did you make the decision to retain 11 Michael Cohen? 12 A Worst decision I ever made. But he really 13 was a con guy and -- he said himself that he was the 14 President's lawyer that turned out not to be 15 necessarily true and had done all these great deals, 16 which he hadn't done. And of course when he was 17 indicted we fired him -- or when he was exposed we 18 fired him, like many other companies that hired him. 19 So -- 20 Q Did he call you or did you call him first? 21 A He called me. 22 Q How did he know to call you? 23 A Well, because I'm a member of Mar-a-Lago 24 here, and he happened to be there and saw me and I 25 guess I was -- he thought he had a -- he was just a</p>	<p style="text-align: right;">Page 89</p> <p>1 A I could have said I talked to his people. I 2 might have mentioned it to him. But I mean, I haven't 3 talked any details about this with President Trump. 4 Q So you might have mentioned the Bellefonte 5 project to President Trump? 6 A I could have in a conversation, but I've 7 never, you know, lobbied him or said "this is 8 something I want you to help me with" or I've never 9 been to the White House or whatever. 10 Q Have you talked with any of the White House 11 staff about the Bellefonte project? 12 A I haven't. 13 Q Has anyone at Nuclear Development? 14 A They could have. I don't know. 15 Q Have you ever represented to anyone at TVA 16 that the President was interested in the project? 17 A I could have. 18 Q How would you know that the President was 19 interested in the project? 20 A Because he's very pro-nuclear. 21 Q Well, did you have any indication that he 22 was interested in this particular nuclear project as 23 opposed to nuclear power generally? 24 A Well, except for Vogtle, there's no other 25 nuclear power being built right now. So I'm -- that's</p>

<p style="text-align: right;">Page 90</p> <p>1 the only one there is.</p> <p>2 Q Well, do you recall ever being told by</p> <p>3 anyone that the President was interested in the</p> <p>4 Bellefonte project?</p> <p>5 A No, I don't think so.</p> <p>6 Q As you sit here today, can you -- you said</p> <p>7 you may have had a brief discussion with the</p> <p>8 President. Do you think that occurred?</p> <p>9 A It could have, because I see him all the</p> <p>10 time.</p> <p>11 Q And do you ever recall mentioning to the</p> <p>12 President that there was a desire for a nine -- or for</p> <p>13 a multi-billion dollar loan from DOE?</p> <p>14 A I would never say that.</p> <p>15 Q Let me show you what's been previously</p> <p>16 marked as Exhibit 116 in this case.</p> <p>17 Mr. Haney, who is Marie Gillman?</p> <p>18 A I know that she used to work for I think</p> <p>19 TVA.</p> <p>20 Q And you're also aware that she worked at</p> <p>21 SNC-Lavalin --</p> <p>22 A Yeah.</p> <p>23 Q -- which was working with Nuclear</p> <p>24 Development, right?</p> <p>25 A That's correct, yeah, that's where. Now I</p>	<p style="text-align: right;">Page 92</p> <p>1 whatever.</p> <p>2 Q Then in the next paragraph it says:</p> <p>3 "Help requested. In preps for meeting with</p> <p>4 Trump, the Haney's have requested that we all lobby the</p> <p>5 U.S. government administration. Please see attached</p> <p>6 talking points and reach out to all your local, state,</p> <p>7 and federal representatives and lobbyists if you have</p> <p>8 any, and urge approval action for this project."</p> <p>9 Do you see that?</p> <p>10 A I see it.</p> <p>11 Q Now, did you in fact request a lobbying</p> <p>12 effort in October of 2018?</p> <p>13 A I don't remember doing it.</p> <p>14 Q But you might have?</p> <p>15 A I could have.</p> <p>16 Q Now, as of November 30th, 2018 Nuclear</p> <p>17 Development had not finalized financing for the</p> <p>18 Bellefonte project, correct?</p> <p>19 A Correct.</p> <p>20 Q And still has not today, correct?</p> <p>21 A Correct.</p> <p>22 MR. LEMBKE: All right. Let's take five</p> <p>23 minutes.</p> <p>24 THE VIDEOGRAPHER: Going off the record.</p> <p>25 The time is 11:08 a.m.</p>
<p style="text-align: right;">Page 91</p> <p>1 know. That's with government.</p> <p>2 Q And have you ever met her face-to-face?</p> <p>3 A Yes.</p> <p>4 Q Now, this is an email from her, it doesn't</p> <p>5 indicate to whom it's sent, on October 17th, 2018. Do</p> <p>6 you see that?</p> <p>7 A Yes.</p> <p>8 Q And if you look down, do you see about a</p> <p>9 third of the way down on page one it says: "DOE Loan</p> <p>10 Guarantee Process," right?</p> <p>11 A Right.</p> <p>12 Q And at the second bullet it says: "Franklin</p> <p>13 Haney is setting up a meeting with President Trump,</p> <p>14 who has agreed to meeting, to advocate pushing DOE</p> <p>15 decision. This is expected to happen in the next two</p> <p>16 weeks."</p> <p>17 Do you see that?</p> <p>18 A That's not true.</p> <p>19 Q It's not true?</p> <p>20 A Not true.</p> <p>21 Q So you never told anyone that President</p> <p>22 Trump had agreed to meet with you about -- and the</p> <p>23 purpose of the meeting would be to advocate pushing</p> <p>24 the DOE decision?</p> <p>25 A No, I have not. She misunderstood it or</p>	<p style="text-align: right;">Page 93</p> <p>1 (Whereupon a recess was taken from</p> <p>2 11:08 a.m. to 11:21 a.m.)</p> <p>3 THE VIDEOGRAPHER: Back on the record. The</p> <p>4 time is 11:21 a.m.</p> <p>5 BY MR. LEMBKE:</p> <p>6 Q Mr. Haney, after Nuclear Development signed</p> <p>7 the Purchase and Sales Agreement with TVA in November</p> <p>8 of 2016, you talked about the efforts Nuclear</p> <p>9 Development made after that to obtain funding for the</p> <p>10 project.</p> <p>11 What else are you aware of that Nuclear</p> <p>12 Development was doing after it signed the Purchase and</p> <p>13 Sales Agreement, other than obtaining funding?</p> <p>14 A Well, I mean they were talking to</p> <p>15 contractors. We had all the major contractors coming</p> <p>16 in. TVA made all of their plans available to us and</p> <p>17 all -- everything they had they made available to us.</p> <p>18 They made it available to us. It couldn't have been</p> <p>19 better.</p> <p>20 We set up shop in -- down there in the plant</p> <p>21 and of course we had to pay for the \$875,000 a</p> <p>22 quarter, about \$3 million a year, to keep the plant</p> <p>23 open and we had sometimes -- like the company you were</p> <p>24 talking about a minute ago, remember I wasn't involved</p> <p>25 with that. That was Frank and the other people. But</p>

<p style="text-align: right;">Page 94</p> <p>1 they had 30 or 40 people working down there,  2 getting -- coming up with a plan.  3 The TVA people came in and helped determine  4 what the price would be. They showed us all sorts of  5 things so that we would know what size loan we needed  6 to finish the project, and they also were very  7 open-minded about -- well, it was just a great  8 relationship. It just fell apart. I mean, I was  9 shocked.  10 I talked to Bill the night before and didn't  11 think we had a problem. Because he always said, "You  12 don't want to worry about time. We'll give you  13 extensions. Nobody else wants the project anyway.  14 They can afford it." So we were shocked.  15 Q Were you involved in the talking to  16 contractors that you referenced?  17 A Very -- no, because I don't know much about  18 construction.  19 Q Other than talking to contractors and  20 working up the plans for the construction of the  21 project, anything else that you're aware of that  22 Nuclear Development was working on after it signed the  23 Purchase and Sales Agreement?  24 A Well, it was working on getting the  25 operators, working on selling the power, it was</p>	<p style="text-align: right;">Page 96</p> <p>1 Q And had you requested this white paper from  2 him?  3 A Not that I know of. He was always  4 submitting something, trying to work his way in. We  5 were not going to use him because TVA didn't recommend  6 him very highly.  7 Q Do you recall receiving this white paper  8 from him?  9 A I do not.  10 Q Do you know if you read the white paper when  11 it came in?  12 A I would doubt it.  13 Q Okay.  14 A I don't handle that sort of stuff.  15 Q And are you saying you did not request it or  16 you just don't remember whether you did or did not?  17 A I doubt if I requested it, because as I  18 said, I didn't -- they weren't considered. They were  19 called AREVA at that time. They had nothing but  20 financial problems.  21 Q Did you respond to Mr. Mignogna, to this?  22 A I have no idea.  23 Q Let me show you what's been marked as  24 Exhibit 49 in this case.  25 A Okay, thank you.</p>
<p style="text-align: right;">Page 95</p> <p>1 working on getting the financing, it was working on  2 the construction. We spent close to what, about  3 \$40 million at this point.  4 Q Anything else you can think of that Nuclear  5 Development was working on?  6 A That's enough. It was full-time. We didn't  7 take on any other projects because of it and you know,  8 we still plan to finish it if we ever get to own it.  9 Q Let me show you what I'm going to mark as  10 Exhibit 48 -- or what's been previously marked as  11 Exhibit 48 in this case.  12 This is an email to you on page one dated  13 December 20, 2016 from Gary Mignogna of AREVA. Do you  14 see that?  15 A Yes.  16 Q And did you know Mr. Mignogna?  17 A I met him because he was trying to get the  18 job, since he said the plans belonged to them. You  19 know, there was a problem.  20 Q The text of the email reads: "Franklin,  21 please find attached the white paper you requested on  22 the transfer of the Bellefonte construction permit  23 from TVA to ND. Best regards, GMM."  24 Do you see that?  25 A Yes.</p>	<p style="text-align: right;">Page 97</p> <p>1 Q Yes, sir.  2 Now, Exhibit 48 was on December 20th. This  3 is an email from Frank Haney to Mr. Mignogna the next  4 day.  5 A This is from Franklin?  6 Q This is from your son.  7 MR. O'REAR: He's referring to the top  8 message.  9 THE WITNESS: Oh, I'm sorry.  10 BY MR. LEMBKE:  11 Q The middle message is what Mr. -- what we  12 just looked at, which was where Mr. Mignogna sent you  13 the white paper.  14 A Right.  15 Q And then the next day your son sends this  16 email to Mr. Mignogna and copies you. Do you see  17 that?  18 A Yeah.  19 Q And you don't doubt that you received this,  20 correct?  21 A I don't remember it, but I'm sure I did.  22 Q Okay, and it says: "Guys, we are focused  23 solely on the DOE loan guarantee and answering any  24 questions."  25 Do you see that?</p>



<p style="text-align: right;">Page 98</p> <p>1 A Right.</p> <p>2 Q And was that true? Was that what Nuclear</p> <p>3 Development was focused on in December of 2016, solely</p> <p>4 on the DOE loan guarantee?</p> <p>5 A That's not true. But where these people</p> <p>6 were concerned, we were focusing on it. We didn't</p> <p>7 want to hire them to begin with.</p> <p>8 Q Then it says: "We need to cut back on</p> <p>9 expenses until we get further along." Do you see</p> <p>10 that?</p> <p>11 A Right.</p> <p>12 Q Was that true?</p> <p>13 A Well, we didn't, but we didn't hire these</p> <p>14 people.</p> <p>15 Q Did you discuss what your son would say to</p> <p>16 Mr. Mignogna before he sent this?</p> <p>17 A No.</p> <p>18 Q Okay. Now, did you have any involvement in</p> <p>19 any effort by Nuclear Development to apply to the</p> <p>20 Nuclear Regulatory Commission for approval of transfer</p> <p>21 of the TVA construction permits?</p> <p>22 A No.</p> <p>23 Q Did you have any awareness of the details of</p> <p>24 that process?</p> <p>25 A No.</p>	<p style="text-align: right;">Page 100</p> <p>1 A Well, he was just joking, I think, "Why</p> <p>2 don't you get involved with Bellefonte?"</p> <p>3 I liked Bill Johnson, contrary to popular</p> <p>4 belief.</p> <p>5 Q When was the first time you remember meeting</p> <p>6 with Bill Johnson about Bellefonte?</p> <p>7 A Oh, that goes back to when we were talking</p> <p>8 about Dennis Bottorff and all of his -- because</p> <p>9 Dennis, as I said, was the president, so he was very</p> <p>10 familiar with everything and Bill and the whole group.</p> <p>11 That's when we first met him, when he first came.</p> <p>12 Q Okay, and what were you talking to him about</p> <p>13 then?</p> <p>14 A I don't know that. But he was highly</p> <p>15 qualified. I don't know. I mean, I don't know when</p> <p>16 we started talking about it.</p> <p>17 Q So you regarded Bill Johnson as a highly</p> <p>18 qualified CEO?</p> <p>19 A I did.</p> <p>20 Q And do you remember -- how many meetings</p> <p>21 would your best estimate be that you had with Bill</p> <p>22 Johnson about Bellefonte?</p> <p>23 A Well, most of the meetings with him were</p> <p>24 over the phone because he was always so busy.</p> <p>25 Q Well, between in-person and telephone calls,</p>
<p style="text-align: right;">Page 99</p> <p>1 Q Do you know why the application for the</p> <p>2 transfer of the construction permits was not filed</p> <p>3 until November 2018?</p> <p>4 A No, I mean --</p> <p>5 Q And who was in charge of compiling the</p> <p>6 application?</p> <p>7 A I would think that Bill and Larry would be.</p> <p>8 Q Okay.</p> <p>9 A I think they hired some firm to help them, I</p> <p>10 think if I remember correctly.</p> <p>11 Q Okay.</p> <p>12 A But I never paid -- it's over my head.</p> <p>13 Q Okay. So it's fair to say you don't have</p> <p>14 any knowledge, personal knowledge of the details about</p> <p>15 that process, correct?</p> <p>16 A I have no knowledge about it.</p> <p>17 Q Okay. Now, I want to now turn to talk about</p> <p>18 meetings you had with Bill Johnson at TVA about</p> <p>19 Bellefonte, and you know that Bill Johnson was the CEO</p> <p>20 of TVA during the time period of the Bellefonte --</p> <p>21 your contract pertaining to Bellefonte, right?</p> <p>22 A Yeah, he once asked me two or three years</p> <p>23 whether I could get involved in Bellefonte when he</p> <p>24 first came there.</p> <p>25 Q All right. Well, tell me about that.</p>	<p style="text-align: right;">Page 101</p> <p>1 what would be your best estimate of how many you had</p> <p>2 with him in which Bellefonte was one of the topics?</p> <p>3 A Over the years, quite a few. I don't know.</p> <p>4 I wouldn't know where to start.</p> <p>5 Q Okay.</p> <p>6 A He was always very available if you called</p> <p>7 him.</p> <p>8 Q Do you remember prior to the time that you</p> <p>9 signed Exhibit 1, which is the Purchase and Sales</p> <p>10 Agreement, do you remember having meetings or</p> <p>11 telephone calls with him about this deal for Nuclear</p> <p>12 Development to purchase Bellefonte?</p> <p>13 A I don't have any exact, but I know we talked</p> <p>14 about it.</p> <p>15 Q But you don't remember any of the details;</p> <p>16 is that fair?</p> <p>17 A I think that's fair. I kept trying to get</p> <p>18 him to buy the power, you know.</p> <p>19 Q Well, and what you mean by that is you kept</p> <p>20 wanting TVA to commit that if Nuclear Development</p> <p>21 built Bellefonte, TVA would buy some or all of the</p> <p>22 power, right?</p> <p>23 A Absolutely.</p> <p>24 Q And Mr. Johnson never expressed any interest</p> <p>25 in doing that; is that right?</p>



<p style="text-align: right;">Page 102</p> <p>1 A Well, he did once before Thanksgiving of the 2 first year or last year. I thought we were close to 3 him being willing to do it, and then it went on for a 4 few months and then he changed his mind. 5 Q Okay, and that was his right to do so, 6 right? 7 A Yes, it was. 8 Q Okay. 9 A But he kept telling me too, though, "You've 10 got the right to call on anybody you want to too," 11 because I think the real problem here is Memphis. But 12 anyway -- 13 Q What do you mean, "the real problem here is 14 Memphis"? 15 A Well, I just think that he got upset over 16 Memphis. 17 Q Well, why do you think he got upset over 18 Memphis? 19 A Because he thought they were going to leave 20 TVA. 21 Q Did you have discussions with him about 22 Memphis? 23 A Yes. 24 Q What do you remember him saying? 25 A I don't remember being too concerned about</p>	<p style="text-align: right;">Page 104</p> <p>1 Council meeting or something, and I told him I was 2 sorry that he did that. I didn't mean for that to 3 happen, or something like that. 4 Q What did Mr. Johnson say that McCollum had 5 said? 6 A I can't remember. 7 Q Did you ever do any investigation into what 8 had been said? 9 A No. 10 Q So you don't know whether it was a 11 legitimate concern or not about what McCollum had 12 said? 13 A No, I think it was about leaving, getting 14 him to leave. Something about getting to leave. 15 But it had been in the papers, so -- 16 Q But you don't remember the details? 17 A No. 18 Q There came a point at which Nuclear 19 Development asked for an extension of the closing 20 date, correct? 21 A Yes. 22 Q And it was a proposed six-month extension, 23 correct? 24 A Correct. 25 Q And did you ask Mr. McCollum for the --</p>
<p style="text-align: right;">Page 103</p> <p>1 it, because it didn't seem like he was. But he always 2 said, "You've got the right to call on anybody you 3 want to." 4 He just got peed off at Bill McCollum, you 5 know. It's public information. Because I mean, he -- 6 the day before this -- the closing, he called me and 7 told me-- he called me the day before the next one and 8 surprised me the next night, said he wasn't going to 9 close. 10 Q Well, let me go back and I'm going to work 11 through several things you just said there. You said 12 he got angry at Bill McCollum? 13 A That's what I was told, but I don't know 14 whether it's true or not. 15 Q Were you told by him, by Bill Johnson? 16 A No, no. 17 Q You were not? 18 A Somebody told me that. I don't know. 19 Q So you never had a meeting with Bill Johnson 20 at which he expressed to you displeasure with things 21 Bill McCollum said in Memphis? 22 A No, I had a meeting with him -- we had a 23 meeting where he was very upset with what Bill -- 24 I think Bill -- or he called me once and was very 25 upset about what Bill had said in Memphis at a City</p>	<p style="text-align: right;">Page 105</p> <p>1 excuse me, Mr. Johnson for the extension? 2 A Before that he told me, "Don't worry about 3 extensions. You know, we're in no hurry." I mean, 4 and then everything was working very good and then it 5 all blew up. That's all I know. 6 I don't know what, when, where, what the 7 reason was. But I mean, we had gotten along great up 8 until the last two, three days. I think I talked to 9 him that last week four, five times. 10 Q All right. Well, when did he tell you 11 "don't worry about any extensions"? 12 A In one of those calls. I mean -- because 13 nobody else wanted it. We certainly weren't enemies 14 or anything. 15 Q And you asked for a six-month extension, but 16 he didn't -- you asked for it in the summer of 2018, 17 right? 18 A Yeah, we asked him. We thought we would 19 have no problem getting it. 20 Q And he did not agree to it, correct? 21 A I guess. 22 Q Well, and you understood that it was up 23 to -- TVA had the discretion to say yes or no to an 24 extension, right? 25 A I guess, yes.</p>

<p style="text-align: right;">Page 106</p> <p>1 Q I mean, it was their call, right?</p> <p>2 A I guess. I don't know. There was a</p> <p>3 contract.</p> <p>4 Q Well, you understood there was a specific</p> <p>5 closing date in the contract, right?</p> <p>6 A And I was willing to close.</p> <p>7 Q Well, that's not my question. My question</p> <p>8 was, you understood there was a specific closing date</p> <p>9 in the contract, right?</p> <p>10 A Right, and I deposited the money and TVA</p> <p>11 knew the money was there to be deposited.</p> <p>12 Q And you understood --</p> <p>13 MR. LEMBKE: Move to strike as</p> <p>14 nonresponsive.</p> <p>15 BY MR. LEMBKE:</p> <p>16 Q You understood that any amendment to a</p> <p>17 written contract term had to be agreed by the parties,</p> <p>18 right?</p> <p>19 A I guess. I'm not the lawyer.</p> <p>20 Q Well, you were asking for TVA to agree to a</p> <p>21 six-month extension, right?</p> <p>22 A Yeah, we were asking him. But as far as</p> <p>23 I know -- I didn't personally ask for the six-month</p> <p>24 extension. I'm saying Mr. Blust, Bill, and them just</p> <p>25 wanted a six-months extension.</p>	<p style="text-align: right;">Page 108</p> <p>1 the extension, but just decided they'd ask for it</p> <p>2 nonetheless?</p> <p>3 A No. No, I mean, as far as buying it, I was</p> <p>4 going to buy it and the money was there.</p> <p>5 Q Well, why did an extension even come up</p> <p>6 then?</p> <p>7 A Because he -- as I've told you, he said</p> <p>8 don't worry about the time. He always said, you know,</p> <p>9 we got -- "if you need another extension, I'll be glad</p> <p>10 to give it," blah, blah, blah, and then the last week</p> <p>11 something happened. That's all I'm trying to say.</p> <p>12 Q But you asked -- Nuclear Development asked</p> <p>13 for an extension long before the last week. Why did</p> <p>14 they do that?</p> <p>15 A I don't know. I'm sure that they have a</p> <p>16 good reason.</p> <p>17 Q Okay. And if Mr. Blust has made a written</p> <p>18 statement about why they may -- why Nuclear</p> <p>19 Development asked for an extension, you would accept</p> <p>20 that as accurate?</p> <p>21 A Yeah.</p> <p>22 Q Now, do you have any specific recollection</p> <p>23 of conversations you had with Bill Johnson after</p> <p>24 Nuclear Development requested the six-month extension,</p> <p>25 pertaining to the extension?</p>
<p style="text-align: right;">Page 107</p> <p>1 Q So you never asked for -- you never asked</p> <p>2 Bill Johnson for a six-month extension?</p> <p>3 A I probably did.</p> <p>4 Q You think you did?</p> <p>5 A I think I might have.</p> <p>6 Q And what did you tell him was the reason why</p> <p>7 Nuclear Development needed a six-month extension?</p> <p>8 A Well, we thought -- that was before. He</p> <p>9 told me before that not to worry, you know, about</p> <p>10 extensions, but something happened.</p> <p>11 Q Well, that wasn't my question. My question,</p> <p>12 Mr. Haney, is first, why did Nuclear Development need</p> <p>13 a six-month extension?</p> <p>14 A To close, we didn't.</p> <p>15 Q Well, Nuclear Development asked for the</p> <p>16 extension, not TVA, correct?</p> <p>17 A Yeah, but we didn't say we wouldn't close.</p> <p>18 They'd give it or didn't give it.</p> <p>19 Q Well, why did Nuclear Development ask for an</p> <p>20 extension of the closing date by six months?</p> <p>21 A Because we thought they didn't care.</p> <p>22 Q That was the only reason?</p> <p>23 A Yeah. I planned to close and the money was</p> <p>24 deposited.</p> <p>25 Q Okay. So Nuclear Development didn't need</p>	<p style="text-align: right;">Page 109</p> <p>1 MR. O'REAR: Objection. I think he's</p> <p>2 already answered some of those questions. So</p> <p>3 objection, asked and answered.</p> <p>4 A He called me -- I wrote it down. He called</p> <p>5 me the day before. The only time I found out we</p> <p>6 weren't going to close was 9 o'clock the night before,</p> <p>7 so --</p> <p>8 Q So the first time you knew that there was</p> <p>9 any potential not to close, that TVA was not going to</p> <p>10 close, was 9 o'clock the night before the closing?</p> <p>11 A That's right.</p> <p>12 Q All right. And is it --</p> <p>13 A I didn't believe it.</p> <p>14 Q Is it your testimony that no one at Nuclear</p> <p>15 Development had any idea there was a potential problem</p> <p>16 prior to that?</p> <p>17 A No, I don't know what they had that I knew.</p> <p>18 I was just talking my idea.</p> <p>19 Q So it was just -- you're the only one who</p> <p>20 didn't know it till the night before?</p> <p>21 A Because I was the one that was putting up</p> <p>22 the money.</p> <p>23 Q Now I want to go back to my question.</p> <p>24 My question was, after Nuclear Development</p> <p>25 made the request, and I'm going to -- well, after</p>

<p style="text-align: right;">Page 110</p> <p>1 Nuclear Development made the request for the 2 extension, do you recall any specific conversations 3 you had with Mr. Johnson about that requested 4 extension? After you made the request, before the 5 closing date. 6 A After they made the request, I don't know. 7 I didn't. I didn't tell him about it. 8 Q So you never had another conversation with 9 Bill Johnson -- 10 A I had a conversation with Bill Johnson, but 11 I don't know if we talked about the extension. 12 Q Just so she can take it down, if you would 13 let me finish asking my question. 14 A I'm sorry. 15 Q That's perfectly okay. If you'll let me 16 finish. 17 My question was, after Nuclear Development 18 requested the extension, do you recall ever having a 19 discussion with Bill Johnson about that extension 20 request in which you were personally involved? 21 A I don't know. 22 Q Okay. So you don't recall one, sitting 23 here? 24 A Because I talked to him two in a row, but I 25 don't know if we talked about the extension.</p>	<p style="text-align: right;">Page 112</p> <p>1 But he said, "I'll call you tomorrow and we 2 can talk." Because I said, "I've been here, I can't 3 do all that." 4 So I came back here and the next day he kept 5 his word. He called me. That's when he broke it. 6 That's the day before the closing or something. I 7 said I'd already made arrangements to put the money up 8 because I thought we were going to close. 9 Then he called and said, "Well, Franklin" -- 10 his lawyers called him and said we're not going to 11 close. I thought I was going to have a heart attack 12 out there. 13 Q So the first time, the first of those two 14 phone calls there was no substantive discussion. It 15 was just you were busy and he agreed to call you the 16 next day? 17 A I think that's right. 18 Q Okay, and the next day he called as 19 promised? 20 A Like he said. 21 Q And other than what you just told me, do you 22 remember anything else about that conversation? 23 A That was about it, short and sweet. 24 Q And that was at 9 o'clock the night before? 25 A I don't remember, somewhere around there or</p>
<p style="text-align: right;">Page 111</p> <p>1 Q All right. In the fall of 2018, which I'll 2 define to be -- the closing date was -- by amendment 3 was going to be November 30th. So I'm focusing on 4 September, October, November. Do you recall having 5 any discussions with Bill Johnson about Bellefonte 6 during that period -- September, October, November -- 7 prior to the last two days? 8 I'm going to get to the last two days, but 9 prior to the last two days do you recall having any 10 discussions with him about Bellefonte? 11 A I don't know. 12 Q You're just not sure? 13 A Just not sure. 14 Q Okay. Now, you are sure that you had 15 conversations with him in the last two days; is that 16 right? 17 A I think it was the last two days, yeah. 18 Q Tell me everything you remember about -- and 19 you said there were two conversations in the last two 20 days? 21 A Yes. We were in Memphis and I was driving 22 in a car to meet with the Mayor, and he called me on 23 the phone and he was just happy, happy, happy, said 24 "I'll call you tomorrow about" -- I guess he might 25 have said the extension.</p>	<p style="text-align: right;">Page 113</p> <p>1 whatever time it was. 2 Q And that was the first you had any idea 3 there was a question about whether TVA would go 4 forward with the closing? 5 A Well, I was told that, you know, if you 6 didn't get an extension you just close, right? So I 7 put the money up. It was wired, they knew the money 8 was there and -- 90-something million dollars, and I 9 figured that it was all over. 10 So we didn't get the extension. 11 Q Well, my question, though, Mr. Haney, was it 12 wasn't until Bill Johnson called you the night before 13 that you had any idea that TVA was not going to close 14 the next day if there was no extension; is that fair? 15 A I didn't. 16 Q You did not know? 17 A No, I did not know. 18 Q Okay. Let me show you what's been 19 previously marked as Exhibit 15 in this case and 20 really, if you'll focus on the bottom of page one and 21 then page two, because the bottom of page one is an 22 email from Larry Blust to Sherry Quirk that copied you 23 on October 24, 2018. 24 Do you see that? 25 A Here at the bottom, "TVA External" --</p>

<p style="text-align: right;">Page 114</p> <p>1 Q I'm pointing. It's right here at the 2 bottom. 3 A Okay. 4 MR. O'REAR: Yeah, you're looking at it. 5 THE WITNESS: Okay, I'm sorry. 6 BY MR. LEMBKE: 7 Q So that's an email from Mr. Blust to 8 Ms. Quirk in which you're copied, right? 9 A Yes. 10 Q So let me let you look at that email and 11 then what's on the next page and then I'll have a 12 question for you. 13 A Okay, I see it. 14 Q Now, you know Ms. Quirk is the general 15 counsel of TVA, right? 16 A Yes. 17 Q You met her? 18 A Yes. 19 Q Does this refresh your recollection that you 20 had a meeting with Bill Johnson and Ms. Quirk and 21 Larry Blust on October 23rd, 2018? 22 A I'm sure we did. 23 Q The second page indicates a proposal that 24 Nuclear Development was making to TVA to resolve any 25 issues with TVA regarding Memphis. Do you see that?</p>	<p style="text-align: right;">Page 116</p> <p>1 present? 2 A Well, I can't -- I don't remember one. 3 Q Okay. 4 A But I don't know. I could have. 5 Q Okay. 6 A I don't think so. 7 Q Now, you said that Mr. Chardos was the 8 manager of the Bellefonte plant? 9 A Yeah, that TVA had. 10 Q And how often do you recall interacting with 11 him, either in person or by phone? 12 A Not too often, because that was more or less 13 them talking to him, but -- 14 Q Do you remember any specific conversations 15 with Mr. Chardos? 16 A He was always big on Bellefonte. But I 17 don't -- he was a great guy, thought he did a great 18 job down there. 19 Q But you don't recall the specifics of any of 20 your conversations with him? 21 A No, I don't. 22 Q And you considered him to be competent at 23 his job? 24 A Yes. 25 Q Did you ever talk to him about coming to</p>
<p style="text-align: right;">Page 115</p> <p>1 A I see it, yes. 2 Q Do you recall this proposal? 3 A No, but I'm not surprised. It could have 4 been put out by somebody. 5 Q Was that discussed -- do you recall if that 6 was discussed at the meeting on October 23rd that you 7 attended with Mr. Johnson and Ms. Quirk? 8 A No, I don't remember what -- I don't 9 remember. 10 Q After that phone call you had the night 11 before with Mr. Johnson at which you found out that 12 TVA was not going to close, did you ever have another 13 conversation with Mr. Johnson about Bellefonte? 14 A I don't think so. 15 Q And have you seen him since then? 16 A I don't think so. 17 Q Did you ever participate in any meetings or 18 phone calls with TVA personnel that Mr. Johnson was 19 not on? 20 A Well, I mean the manager down at the plant, 21 I'm sure I talked to him. 22 Q Jim Chardos. 23 A Right. 24 Q Other than Mr. Chardos, do you ever remember 25 meeting with anyone at TVA when Mr. Johnson was not</p>	<p style="text-align: right;">Page 117</p> <p>1 work at Nuclear Development after he left TVA? 2 A He mentioned it many, many times, but I 3 would tell him -- I said we'd talk about it after we 4 close. 5 Q Did anyone at TVA ever explain to you why 6 TVA thought it could not close on November 30th, 2018? 7 A Personally, no. I don't know. 8 Q And so sitting here today, you don't have an 9 understanding of why TVA felt it could not close; is 10 that fair? 11 A That's fair. 12 Q Okay. Mr. Haney, during the period from 13 November of '16 to November of -- well, to the 14 present, do you go to Washington, D.C. on business? 15 A Sometimes. 16 Q And does it concern a number of your 17 companies when you go? 18 A Well, we don't have that many companies. I 19 mean, no, it's all been about -- most of it's always 20 been about this. In the past, before that it was 21 a little bit about when we were working on a lease, 22 but that was two, three years ago. 23 Q What lease were you working on? 24 A With the building -- what's it called -- 25 Portals, which is the headquarters of the Federal</p>

<p style="text-align: right;">Page 118</p> <p>1 Communication Commission.</p> <p>2 Q And you went to D.C. for meetings --</p> <p>3 A I've only been there two or three times.</p> <p>4 Q And did you handle some Bellefonte-related</p> <p>5 business while you were there for those Portals</p> <p>6 meetings?</p> <p>7 A I don't think so.</p> <p>8 Q Okay.</p> <p>9 A If we did, we would have -- we certainly</p> <p>10 wouldn't have put them on these costs to TVA.</p> <p>11 Q Did you ever have any -- have you had any</p> <p>12 meetings related to the Dulles Toll Road in D.C.</p> <p>13 during the period of November 2016 to the present?</p> <p>14 A I don't know of any.</p> <p>15 Q Have you had any meetings about your other</p> <p>16 real estate enterprises in D.C. in the -- during that</p> <p>17 period of November 2016 to the present?</p> <p>18 A I don't think so.</p> <p>19 Q So to the best of your knowledge, in the</p> <p>20 last three years and two months you've not had a</p> <p>21 single meeting in Washington, D.C. about the Dulles</p> <p>22 Toll Road?</p> <p>23 A Well, I could have had, but I don't think</p> <p>24 so.</p> <p>25 Q And same thing -- you have that significant</p>	<p style="text-align: right;">Page 120</p> <p>1 BY MR. LEMBKE:</p> <p>2 Q Now, have you seen this document before?</p> <p>3 A I saw it yesterday for the first time.</p> <p>4 Q So you know this is at least as of a few</p> <p>5 months ago the damages being requested by Nuclear</p> <p>6 Development in this matter from TVA, right?</p> <p>7 A That's what I'm told.</p> <p>8 Q Did you have any involvement in preparing</p> <p>9 this?</p> <p>10 A No.</p> <p>11 Q Okay. Now, where on here is the listing for</p> <p>12 Michael Cohen's advising fee?</p> <p>13 A I have no idea.</p> <p>14 Q Do you think it's on here?</p> <p>15 A I don't know.</p> <p>16 Q Well, take a minute and look through, if you</p> <p>17 would.</p> <p>18 A Okay. Does anybody see it? I don't know</p> <p>19 where to look.</p> <p>20 Q Well, I will say -- I'll represent to you</p> <p>21 there's nothing with Michael Cohen's name on here, and</p> <p>22 I'm just wondering if you recognize any of these other</p> <p>23 entities as perhaps some entity that Michael Cohen</p> <p>24 billed for his services through.</p> <p>25 A I didn't prepare this, so I don't know.</p>
<p style="text-align: right;">Page 119</p> <p>1 office building holding still in D.C., correct?</p> <p>2 A I don't have anything to do with it. I'm a</p> <p>3 limited partner.</p> <p>4 Q But you haven't had a single meeting about</p> <p>5 that in D.C. in the last three years and two months?</p> <p>6 A No, I would have had a meeting about it.</p> <p>7 Q Okay.</p> <p>8 A But we certainly wouldn't turn it in as a</p> <p>9 cost to TVA, is what I'm trying to say, if we did.</p> <p>10 Q Well, is it possible that while you were in</p> <p>11 D.C. to meet on Bellefonte issues, you also did</p> <p>12 something on these other issues; killed two birds with</p> <p>13 one stone?</p> <p>14 A Well, I would have if it's true, but I just</p> <p>15 don't know of any.</p> <p>16 Q Now, let me show you what I'm going to mark</p> <p>17 as Exhibit 120 and I'll say this is the corrected</p> <p>18 damages computation calculation. The previous exhibit</p> <p>19 was the initial computation that had the --</p> <p>20 MR. O'REAR: It had a mathematical error and</p> <p>21 we withdrew it.</p> <p>22 MR. LEMBKE: Mathematical error, yes. So</p> <p>23 this is the correct one.</p> <p>24 (Whereupon a document/item was marked for</p> <p>25 identification as Defendant's Exhibit 120.)</p>	<p style="text-align: right;">Page 121</p> <p>1 Q Okay. Now, Ali Sedan Services is a</p> <p>2 limousine service in D.C.; is that correct?</p> <p>3 A Yes.</p> <p>4 Q And you sometimes travel to the D.C. area to</p> <p>5 see your grandchildren, right?</p> <p>6 A Right.</p> <p>7 Q For no business reason at all, correct?</p> <p>8 A That could be, but not too often.</p> <p>9 Q But that certainly has happened in the last</p> <p>10 three years and two months, right?</p> <p>11 A Right.</p> <p>12 Q Just you go up there for family reasons,</p> <p>13 non-business reasons, right?</p> <p>14 A Right.</p> <p>15 Q And when you go you always fly on a private</p> <p>16 jet, right?</p> <p>17 A Right.</p> <p>18 Q And when you go you have Ali's Sedan</p> <p>19 Services drive you around, correct?</p> <p>20 A Sometimes, yes.</p> <p>21 Q Can you say with certainty that none of the</p> <p>22 listings for Ali's Sedan Services involve trips that</p> <p>23 were of a solely personal nature?</p> <p>24 A I can say that Gloria, who I'm sure prepared</p> <p>25 it, has been with me 40 years and I would -- she would</p>

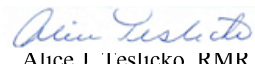



<p style="text-align: right;">Page 122</p> <p>1 not do something like that, I don't think.</p> <p>2 Q Well, that wasn't my question. My question</p> <p>3 was, if you look at the dates and the charges for</p> <p>4 Ali's Sedan Services -- and these were primarily</p> <p>5 services for driving you around, right?</p> <p>6 A Well, they could have been me. It could</p> <p>7 have been Bill, it could have been Frank, anybody</p> <p>8 connected with us.</p> <p>9 Q My question is, you can't state with</p> <p>10 certainty that none of these involve any -- well, let</p> <p>11 me start over.</p> <p>12 In looking at the list of charges for Ali's</p> <p>13 Sedan Services, you can't say whether any of these</p> <p>14 involved solely personal transportation, correct?</p> <p>15 A I can't, but I promise you that she wouldn't</p> <p>16 do that.</p> <p>17 Q Okay, and if you look on the listing for</p> <p>18 FlexJet, LLC, you can't say that none of those</p> <p>19 involved personal trips, correct?</p> <p>20 A Well, she wouldn't count it if it was, if it</p> <p>21 wasn't on a project.</p> <p>22 MR. LEMBKE: Let me move to strike as</p> <p>23 nonresponsive.</p> <p>24 Q Mr. Haney, my question to you is --</p> <p>25 MR. O'REAR: We object to that motion, but</p>	<p style="text-align: right;">Page 124</p> <p>1 Q Okay. Do you know what Aladdin Printing &amp;</p> <p>2 Copying did for Nuclear Development?</p> <p>3 A No.</p> <p>4 Q On page two, do you know what Chadbourne &amp;</p> <p>5 Parke did for Nuclear Development?</p> <p>6 A I don't.</p> <p>7 Q Do you know what Julien Debonnet did for</p> <p>8 Nuclear Development?</p> <p>9 A No.</p> <p>10 Q Do you know what Dentons US, LLP did for</p> <p>11 Nuclear Development?</p> <p>12 A No.</p> <p>13 Q Do you know what Fitch Ratings did for</p> <p>14 Nuclear Development?</p> <p>15 A Yeah, we had to have a rating for DOE.</p> <p>16 Q And you got more than one rating; is that</p> <p>17 correct?</p> <p>18 A I think we got two. You had to have two.</p> <p>19 I'm not sure.</p> <p>20 Q You're saying that DOE required two ratings?</p> <p>21 A I'm pretty sure. If it's in here -- I don't</p> <p>22 know, is it in here? I don't --</p> <p>23 Q Well, I'll represent to you that there's a</p> <p>24 separate entry for Moody's Investor Services.</p> <p>25 A They may have been required too. Yeah, they</p>
<p style="text-align: right;">Page 123</p> <p>1 go ahead.</p> <p>2 BY MR. LEMBKE:</p> <p>3 Q My question to you is -- and we'll get out</p> <p>4 of here faster if you'll answer the questions --</p> <p>5 MR. O'REAR: He's trying.</p> <p>6 Q -- the question, though, is based on your</p> <p>7 personal knowledge. You can't tell me that none of</p> <p>8 these FlexJet entries are for personally -- let me</p> <p>9 start over.</p> <p>10 Based on your personal knowledge, you don't</p> <p>11 know what the purpose of each of these trips was, do</p> <p>12 you?</p> <p>13 A I don't.</p> <p>14 Q Okay. And for Flight Options, LLC, based on</p> <p>15 your personal knowledge, you can't tell me what the</p> <p>16 purpose of each of those trips was for, correct?</p> <p>17 A I can't.</p> <p>18 Q All right. And the same is true going back</p> <p>19 to Ali's Sedan Services, for all of those entries,</p> <p>20 based on your personal knowledge, you can't tell me</p> <p>21 what the purpose of each of those trips was, correct?</p> <p>22 A Correct.</p> <p>23 Q Okay. Mr. Haney, back on page one, do you</p> <p>24 know what AECOM is?</p> <p>25 A No.</p>	<p style="text-align: right;">Page 125</p> <p>1 did require two.</p> <p>2 Q So based on your personal knowledge, DOE</p> <p>3 required two separate ratings?</p> <p>4 A I'm pretty sure of that.</p> <p>5 Q Okay.</p> <p>6 A I didn't see the other one, if it's true.</p> <p>7 Q On the next page, do you know what services</p> <p>8 Framatome provided for Nuclear Development?</p> <p>9 A Yeah, that's AREVA, same group that --</p> <p>10 remember they had the plans and you had to work with</p> <p>11 them on certain things.</p> <p>12 Q Well, do you know what they were doing for</p> <p>13 \$63,500?</p> <p>14 A I don't.</p> <p>15 Q Okay. Do you know what FTI is?</p> <p>16 A No.</p> <p>17 Q Okay. So you don't know what it did for</p> <p>18 Nuclear Development, correct?</p> <p>19 A Correct, I don't.</p> <p>20 Q All right. Now, Hand Arendall is obviously</p> <p>21 Mr. O'Rear's firm. Do you know what services Hand</p> <p>22 Arendall provided between December of 2016 and October</p> <p>23 of 2018 for which Nuclear Development is seeking</p> <p>24 reimbursement in this case?</p> <p>25 A Is this --</p>



<p style="text-align: right;">Page 126</p> <p>1 MR. O'REAR: Roger, Roger's firm.  2 THE WITNESS: No, I don't.  3 BY MR. LEMBKE:  4 Q On the next page, you're aware that Hughes  5 Socol is Mr. Blust's firm, right?  6 A Right.  7 Q Do you know what services Mr. Blust's firm  8 provided between January of 2017 and March of 2019 for  9 which Nuclear Development is seeking reimbursement in  10 this case?  11 A He was working on it night and day.  12 Q Well, my question is, do you know which  13 categories of services Nuclear Development is seeking  14 reimbursement for?  15 A I do not.  16 Q So you don't know whether any of these seek  17 amounts relating to litigation, correct?  18 A I don't.  19 Q Do you know what ICF Consulting Group is?  20 A That sounds familiar. What page is it on?  21 Q It's just below the Hughes Socol entry.  22 A I don't know what page it's on.  23 Q Well, let me count for you.  24 MR. O'REAR: I'll find it for you.  25 Q It's on the fifth page.</p>	<p style="text-align: right;">Page 128</p> <p>1 not entitled to say whatever you want to say in a  2 deposition under the Federal Rules of Civil  3 Procedure, as you know.  4 MR. BLUST: I don't know that at all.  5 I know the exact opposite. But let's go on with  6 the questioning and let's get this done.  7 THE WITNESS: Cut this out.  8 BY MR. LEMBKE:  9 Q The entry for \$567,150 for ICF Consulting  10 Group, do you see that?  11 A Yeah.  12 Q Do you know what ICF Consulting Group is?  13 A I don't.  14 Q Now, as you said, you're the ultimate  15 authority at Nuclear Development, right?  16 A Right.  17 Q And this money was essentially coming out of  18 your pocket to pay these bills, right?  19 A That's right.  20 Q And you don't know -- \$567,000 was spent on  21 this group and you don't know who it is; is that fair?  22 A That's fair.  23 Q Now, you indicated that the Ickes &amp; Enright  24 Group, which is just under \$274,000, that was for  25 lobbying services in 2016 and 2017?</p>
<p style="text-align: right;">Page 127</p> <p>1 A You're talking about Ickes?  2 Q ICF Consulting Group.  3 A They were a lobbying group back a long time  4 ago, but we let them go.  5 Q Who worked there?  6 A I don't even know.  7 Q And so you're not sure what the \$567,150 for  8 which Nuclear Development is --  9 A For Ickes? I don't see that number. I --  10 MR. O'REAR: He's looking at I think the  11 Ickes.  12 MR. LEMBKE: Oh, I'm referring to ICF  13 Consulting Group, which is \$567,000.  14 MR. O'REAR: Yeah, he's looking at this one,  15 not that one.  16 MR. BLUST: He's a lobbyist.  17 MR. LEMBKE: Mr. Blust, I'm going to move to  18 strike that.  19 MR. BLUST: Fine.  20 MR. LEMBKE: You need to remain quiet,  21 please.  22 MR. BLUST: I will say whatever I want to  23 say, as I told you last time, okay.  24 MR. LEMBKE: Well, Mr. Blust, if we need to  25 get the Court on the phone, we can, but you're</p>	<p style="text-align: right;">Page 129</p> <p>1 A I'm sure it is. It has to be because  2 they're a lobbying firm. I just knew that.  3 Q And what were they lobbying? You did not  4 mention them earlier. Who were they?  5 A They were a lobbying firm. I don't know --  6 they probably had been -- I imagine at that time it  7 was the tax credits we were trying to get. I would  8 just imagine. I don't know if that's true or not.  9 Q Okay. Then the next entry is for just under  10 \$1.3 million to McCollum Holdings. Do you see that?  11 A Yes.  12 Q And that's basically the compensation to  13 Mr. McCollum for his hourly rate work?  14 A Yes.  15 Q Next is Midcontinent Independent for  16 \$16,000. Do you know what that is?  17 A No.  18 Q We've already talked about the Moody's  19 Investor Service, \$195,000, right?  20 A That is a rating, yes.  21 Q Yes, sir. Then next is \$548,567.23 to  22 Morgan Lewis. You see that?  23 A Yes.  24 Q Who is Morgan Lewis?  25 A It's another law firm. I don't know what</p>

<p style="text-align: right;">Page 130</p> <p>1 they did, but it's a law firm.</p> <p>2 Q Next is \$287,788.15 for MPR Associates. Do</p> <p>3 you see that?</p> <p>4 A Yes.</p> <p>5 Q And what is MPR Associates?</p> <p>6 A I don't know.</p> <p>7 Q Next is \$35,906.87 to Thomas J. Myers. Who</p> <p>8 is that?</p> <p>9 A I don't know. I really don't.</p> <p>10 Q Next is a little over \$5500 to Navton</p> <p>11 Consulting Services. Who is that?</p> <p>12 A I don't know.</p> <p>13 Q Sir?</p> <p>14 A I don't know.</p> <p>15 Q Next is \$217,664.22 to Norton Rose</p> <p>16 Fulbright.</p> <p>17 A Looks like a law firm, but I don't know.</p> <p>18 Q Next is a little over \$5,000 to RepEquity,</p> <p>19 Inc. Do you know what that is?</p> <p>20 A No.</p> <p>21 Q Next is \$150,000 to Rock Creek Advisors. Do</p> <p>22 you see that?</p> <p>23 A That is a lobbying firm.</p> <p>24 Q Now, that's in addition to the ones you</p> <p>25 mentioned to me earlier?</p>	<p style="text-align: right;">Page 132</p> <p>1 period.</p> <p>2 Q Well, might she be involved in encouraging</p> <p>3 Memphis to dump TVA?</p> <p>4 A She could be. I don't know.</p> <p>5 Q Do you think it would be appropriate if she</p> <p>6 is, to ask TVA to pay for that?</p> <p>7 A I don't know about that.</p> <p>8 Q Well, this is my one and only chance to ask</p> <p>9 you that question. Do you think it's appropriate --</p> <p>10 A I wouldn't pay it if I was them.</p> <p>11 Q You don't think that's fair?</p> <p>12 A No.</p> <p>13 Q Sutton Reid Advertising, which is a little</p> <p>14 over \$95,000, is another Memphis expenditure, correct?</p> <p>15 A It is.</p> <p>16 Q And do you think it's fair to ask TVA to pay</p> <p>17 for that?</p> <p>18 A I don't know, but I wouldn't if I was them.</p> <p>19 Q Well, you're the one asking them to pay it.</p> <p>20 Do you think they ought to pay it?</p> <p>21 A Well, I mean, I think they ought to pay it,</p> <p>22 but they probably wouldn't. I mean, because if they</p> <p>23 leave -- I don't know if they're going to leave or</p> <p>24 not. But anyway --</p> <p>25 Q Well, why do you think TVA should be paying</p>
<p style="text-align: right;">Page 131</p> <p>1 A Yes.</p> <p>2 Q What did Rock Creek --</p> <p>3 A We don't employ them anymore.</p> <p>4 Q What does Rock Creek Advisory -- what did</p> <p>5 they do?</p> <p>6 A I don't even know.</p> <p>7 Q Do you know who the principal is you were</p> <p>8 dealing with there?</p> <p>9 A I wasn't dealing with him.</p> <p>10 Q Next is Rocket City Digital for just under</p> <p>11 \$7,500. What's that?</p> <p>12 A I don't know.</p> <p>13 Q Okay. Next is a little over \$91,000 to</p> <p>14 Susan Adler Thorp Corporation. Do you see that?</p> <p>15 A Yes.</p> <p>16 Q Who is that?</p> <p>17 A She's a lady that's the public relations in</p> <p>18 Memphis.</p> <p>19 Q And what sort of public relations work is</p> <p>20 she doing in Memphis?</p> <p>21 A Well, anything that needs to be done.</p> <p>22 Q With regard to what?</p> <p>23 A With regard to Memphis.</p> <p>24 Q So encouraging Memphis to dump TVA?</p> <p>25 A Not necessarily that, just representing us,</p>	<p style="text-align: right;">Page 133</p> <p>1 for expenses that are aimed in Memphis -- at Memphis</p> <p>2 not continuing with TVA?</p> <p>3 A Well, that's not the reason. We have a</p> <p>4 right to go to talk to the Memphis board, according</p> <p>5 to -- there's nothing wrong with that.</p> <p>6 Q Well, I under- -- my question, though, is do</p> <p>7 you think TVA should be responsible for paying the</p> <p>8 expenses of --</p> <p>9 A If they don't close, they should be.</p> <p>10 Q Why?</p> <p>11 A Because they should honor their commitment.</p> <p>12 They should close.</p> <p>13 Q But you don't know -- well, we've already</p> <p>14 covered that.</p> <p>15 So the reason you think TVA should pay for</p> <p>16 the Memphis expenditures is simply because TVA did not</p> <p>17 close?</p> <p>18 A Well, no, I think that we have a right to</p> <p>19 talk to anybody we want to about buying power for</p> <p>20 nuclear. There's no question about that. You got to</p> <p>21 have people that -- in anyplace that -- I mean, the</p> <p>22 point I'm trying to make is we have the right to</p> <p>23 choose the people and we have -- I can't go over there</p> <p>24 and do it. I mean --</p> <p>25 Q Why not?</p>

<p style="text-align: right;">Page 134</p> <p>1 A I'm 80 years of age. I can't do it. I'll 2 just kill myself. 3 Q Well, but you had Mr. McCollum. Why did you 4 need outside consultants? 5 A Well, I don't know. I'm sure Bill hired 6 them. I don't know. 7 Q Next is Bruce Turner, PLLC, for a little 8 over \$18,000. Do you know who that is? 9 A It's a law firm that I think Larry and them 10 got. 11 Q Well, what did he do? 12 A I don't know. 13 Q The last entry is the U.S. Department of 14 Energy for \$350,000. That's the fee for the loan 15 application, correct? 16 A I think that's true. 17 Q Okay. Now, let me direct your attention -- 18 strike that. 19 All right. Let me direct your attention 20 back to the fifth page again, the entry about the 21 Ickes firm. 22 A Yeah. 23 Q The first entry there is dated November 1, 24 2016. Do you see that? 25 A Wait a minute. Yeah, I see it. Yeah, I see</p>	<p style="text-align: right;">Page 136</p> <p>1 time is 12:24 p.m. 2 MR. LEMBKE: Mr. Haney, subject to my 3 statement earlier, we don't have any further 4 questions at this time and we appreciate your 5 hospitality. Thank you, sir. 6 MR. O'REAR: I have no questions. 7 THE VIDEOGRAPHER: This concludes the 8 deposition of Franklin L. Haney, Sr. The number 9 of media were three and will be sent to Veritext 10 Legal Solutions. 11 Going off the record. The time is 12 12:24 p.m. 13 (Whereupon, the taking of the deposition was 14 concluded at 12:25 p.m.) 15 --- 16 17 18 19 20 21 22 23 24 25</p>
<p style="text-align: right;">Page 135</p> <p>1 it. 2 Q And we saw earlier that the date of the 3 contract between TVA and Nuclear Development was 4 November 16, 2016. Do you recall that? 5 A Yes. 6 Q Why would TVA owe money to Nuclear 7 Development for something paid before the date of the 8 contract? 9 A I don't know. 10 MR. O'REAR: That may not be the date of 11 payment. That may be -- well, it could be an 12 invoice date or it could be an undated invoice. 13 So we can check on that. 14 If it does predate -- if it services that 15 predate the contract, that is not claimed. 16 MR. LEMBKE: All right. Let's go off the 17 record and take a short break. 18 THE WITNESS: Okay, thank you. 19 THE VIDEOGRAPHER: Here marks the end of 20 media number two. Going off the record. The 21 time is 12:16 p.m. 22 (Whereupon a recess was taken from 12:16 23 p.m. to 12:24 p.m.) 24 THE VIDEOGRAPHER: Back on the record. Here 25 marks the beginning of media unit three. The</p>	<p style="text-align: right;">Page 137</p> <p>1 CERTIFICATE OF OATH 2 3 I, Alice J. Teslicko, RMR, a Notary Public 4 for the State of Florida at large, do hereby 5 certify that the witness, FRANKLIN L. HANEY, SR., 6 appeared personally before me and was duly sworn. 7 Signed and sealed this 1st day of February, 8 2020. 9 10 11  12 Alice J. Teslicko, RMR 13 14 Commission No. GG249076 15 My Commission Expires: 16 December 14, 2022 17 18 19 20 21 22 23 24 25</p>

<p style="text-align: right;">Page 138</p> <p>1 CERTIFICATE  2 STATE OF FLORIDA )  ) ss.  3 COUNTY OF MARTIN )  4  I, ALICE TESLICKO, RMR, a Registered  5 Merit Reporter and Notary Public for the State of  Florida at Large, do hereby certify that I reported  6 the deposition of Franklin L. Haney, Sr., a witness  called by the Defendant in the above-styled cause; and  7 that the foregoing pages constitute a true and correct  transcription of my shorthand report of the deposition  8 of said witness.  9 I further certify that I am not an attorney  or counsel of any of the parties, nor a relative or  10 employee of counsel connected with the action, nor  financially interested in the action.  11  WITNESS my hand and official seal in the  12 City of Stuart, County of Martin, State of Florida,  this 1st day of January, 2020.  13  14    15 ALICE J. TESLICKO, RMR  16 My commission expires:  December 14, 2022  17 Commission No. GG249076  18  19  20  21  22  23  24  25</p>	<p style="text-align: right;">Page 140</p> <p>1 ERRATA for ASSIGNMENT #3833163  2 I, the undersigned, do hereby certify that I have read the  transcript of my testimony, and that  3  4 ___ There are no changes noted.  5 ___ The following changes are noted:  6  Pursuant to Civil Procedure, Rule 30. ALA. CODE § 5-30(e)  7 (2017). Rule 30(e) states any changes in form or  substance which you desire to make to your testimony shall  8 be entered upon the deposition with a statement of the  reasons given for making them. To assist you in making any  9 such corrections, please use the form below. If additional  pages are necessary, please furnish same and attach.  10  11 Page ___ Line ___ Change ___  12  13 Reason for change ___  14 Page ___ Line ___ Change ___  15  16 Reason for change ___  17 Page ___ Line ___ Change ___  18  19 Reason for change ___  20 Page ___ Line ___ Change ___  21  22 Reason for change ___  23 Page ___ Line ___ Change ___  24  25</p>
<p style="text-align: right;">Page 139</p> <p>1 To: CAINE O'REAR, III, ESQ.  2 Re: Signature of Deponent Franklin Haney, Sr.  3 Date Errata due back at our offices: 3/6/2020  4  5 Greetings:  6 This deposition has been requested for read and sign by  the deponent. It is the deponent's responsibility to  7 review the transcript, noting any changes or corrections  on the attached PDF Errata. The deponent may fill  8 out the Errata electronically or print and fill out  manually.  9  10 Once the Errata is signed by the deponent and notarized,  please mail it to the offices of Veritext (below).  11  12 When the signed Errata is returned to us, we will seal  and forward to the taking attorney to file with the  13 original transcript. We will also send copies of the  Errata to all ordering parties.  14  15 If the signed Errata is not returned within the time  above, the original transcript may be filed with the  16 court without the signature of the deponent.  17  18 Please Email the completed errata/witness cert page  to readandsign@veritext.com  19 or mail to  20 Veritext Production Facility  21 2031 Shady Crest Drive  22 Hoover, AL 35216  23 205-397-2397  24  25</p>	<p style="text-align: right;">Page 141</p> <p>1 Page ___ Line ___ Change ___  2  3 Reason for change ___  4 Page ___ Line ___ Change ___  5  6 Reason for change ___  7 Page ___ Line ___ Change ___  8  9 Reason for change ___  10 Page ___ Line ___ Change ___  11  12 Reason for change ___  13 Page ___ Line ___ Change ___  14  15 Reason for change ___  16  17  18  19 DEPONENT'S SIGNATURE  Sworn to and subscribed before me this ___ day of  20  21  22  23 NOTARY PUBLIC / My Commission Expires: _____  24  25</p>